



MANAGEMENT DISCUSSION AND ANALYSIS

For the three month period ended May 31, 2011

The Management Discussion and Analysis ("MD&A") is an overview of the activities of Tres-Or Resources Ltd. (the "Company") for the three month period ended May 31, 2011. The following should be read in conjunction with the Company's unaudited condensed interim financial statements for the three month periods ended May 31, 2011 and 2010 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS"). The following should also be read in conjunction with the audited financial statements for the year ended February 28, 2011 and the notes attached thereto. It should be noted that the audited financial statements for the year ended February 28, 2011 were prepared in accordance with Canadian Generally Accepted Accounting Principles ("Canadian GAAP").

Additional information related to the Company is available for view on the SEDAR website at www.sedar.com. All financial information in the MD&A related to 2011 and 2010 has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting and functional currency of the Company, excepted where noted. The effective date of this Management Discussion & Analysis is August 18, 2011.

FORWARD LOOKING STATEMENTS

Certain statements contained in this document constitute "*forward-looking statements*". Such forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressly stated or implied by such forward-looking statements. This MD&A contains forward-looking statements relating to, among others, regulatory compliance, risks and uncertainties related to exploration and development and the sufficiency of current working capital. These statements reflect management's current estimates, beliefs, intentions and expectations; they are not guarantees of future performance.

NATURE OF BUSINESS

Tres-Or is an active resource exploration company focused on the exploration of diamond properties and precious/base metal properties in Canada. The properties which the Company owns or which it is currently evaluating for acquisition are located in the traditional mining areas of Northeastern Ontario and Northwestern Quebec.

Tres-Or currently has no producing properties, and consequently no operating income or cash flow. To date the Company has been entirely dependent on the equities market to finance all of its activities and it is anticipated that it will continue to rely on this source of funding for its exploration expenditures and to meet its ongoing working capital requirements. Because of the size of the portfolio of exploration properties and the magnitude of the expenditures needed to fund exploration programs, Tres-Or also makes use of options/joint ventures or other arrangements to share the costs and risks associated with exploring some of its mineral properties.

The Company defers (capitalizes) all acquisition and exploration costs until the property to which those costs are related is placed into production, sold, abandoned, or management determines there to be impairment. The decision to abandon a property is largely determined from exploration results, and the amount and timing

of the Company's write-offs of resource property acquisition and deferred exploration costs typically cannot be predicted in advance and will vary from one reporting period to the next. As a result, there may be significant changes in the financial results and balance sheet position reported by the Company.

The Company trades on the TSX Venture Exchange under the symbol TRS. The issued capital of the Company as of August 18, 2011 is 91,174,634 common shares. The authorized capital of the Company is an unlimited number of shares.

OVERALL PERFORMANCE

Summary of Mineral Property Events

Quebec Gold Properties located in the Abitibi-Témiscamingue region of northwestern Quebec.

1. The Company completed an option to acquire a 76% interest in several groups of Quebec Gold Project claims from the optionor by completing the terms of a December 21, 2009 Option Agreement. On March 22, 2011, the Company purchased the remaining 24% interests in all of the Quebec Gold Project claim groups, and including the Duvay Nord and East Mac Sud claim groups for a total cash payment of \$100,000 (paid). The optionor retains a 2.0% Net Smelter Return ("NSR") and the Company has the right to purchase 1.0% of the NSR for \$1,000,000 and retains a first right of refusal to purchase the remaining 1.0% NSR from the optionor. For details, refer to the property summaries section.
2. The Company completed the earn-in of a 40% interest in the advanced Duvay Gold Project. The Company has an Option Agreement to acquire 100% interest in the Duvay Gold Project by incurring staged expenditures and completing a technical report on the property. Tres-Or paid \$125,000, issued 250,000 shares and incurred \$275,000 in exploration expenditures to complete the 40% earn-in. The Company has the right to earn an additional 10% interest per an amended June 21, 2011 agreement with the optionor by (a) incurring exploration expenditures of \$1,000,000 by December 31, 2011; (b) issuing a total of 500,000 shares (200,000 issued in December 2010 and 300,000 issued on June 21, 2011 (complete); (c) making payments for the sum of \$300,000 by September 30, 2011 (\$25,000 on June 30, 2011 (paid), \$25,000 on July 31, 2011 (paid), \$25,000 on August 31, 2011 and \$225,000 on September 30, 2011). Having acquired the 50% interest, Tres-Or can earn a further 15% by completing a technical report on the property and issuing 500,000 shares within 24 months of signing of the Option Agreement.

Having acquired the 65% interest, Tres-Or can earn a further 15% for a total of 80% interest by incurring \$4,000,000 in exploration expenditures. Tres-Or has the right to acquire the remaining 20% interest by effecting a merger, amalgamation or other form of business combination with the optionor, or the Company can purchase any or all of the 20% interest by paying \$1,000,000 for each 1.0% interest in the property to be purchased.

The Company completed the consolidation of a substantial land package surrounding its advanced Duvay Gold Project. On March 22, 2011, Tres-Or acquired 100% interest in all the Quebec Gold Project claims covered by a December 2009 Option Agreement, and including both the 1,785 hectare Duvay Nord property and 2301 hectare East Mac/East Mac Sud property, subject to a 2.0% NSR in favour of the optionor (as per note 1 above). In addition, the Company completed agreements to purchase additional Duvay Gold Project claims for cash payments totaling \$125,000. The payments are scheduled to be paid in increments to January 15, 2012 (\$50,000 paid) and four of the claims are subject to a 2.0% GMR. For details, refer to the property summaries section.

3. On March 16, 2011, the Company signed an Option Agreement with Pershimco Resources Inc. for six Pascalis area claim blocks that surround their Courville Property in the Val d'Or-Malactic Gold Mine Camp. The six properties are jointly held by Tres-Or and its 50% partner, Sementiou Inc. The Company received its 50% portion of \$25,000 cash and 25,000 shares of Pershimco on signing of the agreement. For details, refer to the property summaries section.

Summary of Financing Activities during the Period

1. The Company issued 441,664 common shares for gross proceeds of 44,167 from the exercise of warrants.

LIQUIDITY AND CAPITAL RESOURCES

These financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. Management is actively targeting sources of additional financing through alliances with financial, exploration and mining entities, or other business and financial transactions which would assure continuation of the Company's operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing.

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the balance sheets.

	May 31 2011	February 28 2011	March 1 2010
	\$	\$	\$
Working capital (deficiency)	531,421	829,907	(605,316)
Deficit	(11,991,374)	(11,863,845)	(10,153,584)

Net cash used in operating activities for the period was \$82,221 compared to \$189,237 during the same period last year. Cash used in operating activities consists primarily of the operating loss and changes in non-cash working capital.

Net cash used in investing activities for the period was \$483,366 compared to \$287,659 during the same period last year. Cash used in investing activities consists primarily of mineral property costs.

Net cash provided by financing activities for the period was \$44,167 compared to \$1,064,286 during the same period last year. Share issuance was the primary source of funds for financing activities.

FINANCIAL SUMMARY

Three month period ended May 31, 2010

The loss for the three month period ended May 31, 2011 was \$127,529 comprised of general and administrative expenses of \$93,899 and share based payments of \$33,630 less interest income of \$1,248. This compares to a loss of \$245,673, comprised of general and administrative expenses of \$103,384, and share based payments of \$142,289 less interest income of \$6,849 for the same period the prior year.

Exclusive of share based payments, general and administrative expenses decreased by \$9,485 for the three month period ended May 31, 2011 compared to the same period the prior year. Management and consulting fees decreased by \$9,091, primarily due to the engagement of fewer independent consultants, and travel and promotion expenses decreased by \$5,224.

SUMMARY OF QUARTERLY RESULTS

Summary financial information for the three months ended:

	May 31 2011	February 28 2011	November 30 2010	August 31 2010
	IFRS	IFRS	IFRS	IFRS
Total assets	5,748,346	5,991,550	5,171,635	4,887,746
Mineral properties	4,758,689	4,509,191	4,130,311	3,776,302
Current liabilities	349,661	541,917	439,551	418,133
Working capital (deficiency)	531,421	829,907	(250,639)	(175,372)
Share capital	15,840,267	15,796,100	13,715,809	13,340,810
Net income (loss) for the period	(127,529)	(1,146,814)	(171,892)	(130,712)
Basic and diluted earnings (loss) per share	(0.00)	(0.02)	(0.00)	(0.00)

	May 31 2010	February 28 2010	November 30 2009	August 31 2009
	IFRS	Canadian GAAP	Canadian GAAP	Canadian GAAP
Total assets	4,959,586	4,220,767	7,448,851	7,247,259
Mineral properties	3,478,567	3,340,176	6,548,241	6,357,440
Current liabilities	419,166	659,507	587,385	324,471
Working capital (deficiency)	230,416	(605,316)	(532,202)	(245,019)
Share capital	13,335,054	12,408,684	12,184,519	12,186,412
Net income (loss) for the period	(260,843)	(3,351,335)	(138,098)	(91,334)
Basic and diluted earnings (loss) per share	(0.00)	(0.06)	(0.00)	(0.00)

These amounts have not been audited. Refer to "First Time Adoption of IFRS".

SHARE CAPITAL

	Number Of Shares	Share Capital
		\$
Authorized		
Unlimited common shares without par value		
Unlimited Class A preferred shares without par value		
Issued		
Balance - February 28, 2011	90,287,970	15,796,100
Warrants exercised	441,664	44,167
Balance – May 31, 2011	90,729,634	15,840,267

OUTSTANDING SHARE CAPITAL

At May 31, 2011, the following incentive stock options are outstanding:

Number Of Options	Exercise Price	Expiry Date
	\$	
1,590,000	0.15	August 30, 2011
800,000	0.10	August 30, 2011
200,000	0.15	June 11, 2011 *

1,900,000	0.10	September 17, 2013
2,000,000	0.15	April 22, 2014
1,525,000	0.16	January 21, 2015
<u>400,000</u>	0.12	May 19, 2015
8,415,000		

At May 31, 2011, the following warrants were outstanding:

<u>Number of Shares</u>	<u>Exercise Price</u> \$	<u>Expiry Date</u>
2,690,000	0.20	July 29, 2011 *
250,000	0.20	August 17, 2011 *
49,999	0.20	December 31, 2011
208,333	0.20	January 28, 2012
4,333,334	0.22	October 21, 2011
2,002,775	0.27	October 23, 2011
<u>1,833,334</u>	0.18	December 16, 2011
11,367,775		

* These options and warrants expired subsequent to the period ended May 31, 2011.

PROPERTY SUMMARIES

Note: More detail on the property reviews and technical information may be found on the Company's web site at www.tres-or.com or at SEDAR at www.sedar.com.

The following is a summary of significant events and related exploration results for Tres-Or's Canadian mineral properties to August 18, 2011. The technical information has been verified by Laura Lee Duffett, P.Geo., President, and Harrison Cookenboo, Ph.D., P.Geo., both Qualified Persons by the Standards of National Instrument 43-101. Certain forward-looking statements are incorporated in this review.

Quebec Gold Projects, Quebec, Canada

The Company has an option to acquire up to a 76% interest in several groups of project claims in Quebec. The Company has paid \$40,000 and reimbursed the optionor for work performed on the properties in 2009 and committed to expend \$200,000 in exploration work on or before June 21, 2011 (completed). The Company issued 277,778 common shares with a value of \$50,000 in the year ended February 28, 2011 to complete a 51% earn-in. The Company can elect to acquire a further 25% interest for a total of 76% by paying \$20,000 (paid) and completing further exploration expenditures of \$100,000 within 12 months of such election. On completion of these terms a joint venture agreement shall be entered into with the optionor.

During the period ended May 31, 2011, the Company elected to complete the 76% earn-in by making the \$20,000 payment and completing the exploration expenditure requirement. In addition, on March 22, 2011 the Company entered into an agreement with the optionor to purchase the remaining 24 % interest in all of the Quebec Gold projects including the Duvay Nord and East Mac Sud claims for a total cash payment of \$100,000 (paid). The optionor will retain a 2.0% Net Smelter Royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for \$1,000,000 and retains a first right of refusal to purchase the remaining 1.0% NSR from the optionor.

The Quebec Gold projects encompass several groups of project claims located in and around the Company's wholly owned properties between Notre Dame du Nord and Rouyn-Noranda in the Abitibi-Témiscamingue region of northwestern Quebec. The gold properties are at varying stages of exploration ranging from

advanced to grass roots. During the year geologic work was completed on several properties including the Duparquet-Destor, Fabre and Pascalis properties.

Duparquet-Destor Gold Project

The Duparquet property is situated 2 km north of the Porcupine-Destor fault within the Abitibi Greenstone Belt and is a large claim block (approximately 1,515 hectares) covering potential splay fault extensions from the Porcupine-Destor fault and the Beattie and Donchester past producing mines located 3 to 15 km to the west.

The Company completed a series of high resolution ground magnetic surveys on the main property claim block with 50m line spacing, which has been integrated into our detailed geographic information system (GIS) data base. Preliminary interpretation of the ground magnetic data has identified the strongest magnetic anomaly on the property as extending 75 to 250m on strike from a gold intersection in historical Quebec government reports. The drill intersection from the 1940's, reported in Quebec showing report (GM 00695), returned 1.7 g/t gold over 1.16m. Fieldwork included stripping and channel sampling in conjunction with detailed geological and structural mapping to define priority drill targets.

Tres-Or expanded the project by the addition of the 277 hectare Destor claim block located just north of the past producing Duquesne Mine property. On December 20, 2010 the Company purchased the Destor claim block for an \$11,088 cash payment and issued 75,000 common shares with a value of \$12,000 for a 100% interest subject to a 2.0% NSR. The Company can purchase 1.0% of the NSR for \$1,000,000.

The Duparquet-Destor property was covered by an airborne survey flown between December 2010 and February 2011. The airborne magnetic and electromagnetic survey was flown in conjunction with adjacent property holders Osisko, Clifton Star and Xmet Inc. The survey utilized the advanced TDEM EMosquito II high-resolution time domain transient electromagnetic system that will provide deep penetration. The helicopter survey was flown at flight line spacing of 100 metres across the entire Duparquet-Destor property. The survey is meant to provide refined direct detection of gold-bearing splay faults originating from the Porcupine-Destor Fault. Tres-Or's exploration program is focused on defining drill targets on the Duparquet-Destor property.

Fabre Project

A 200m drill program was completed on the Fabre silver-cobalt-gold-bismuth project in August 2010. Tres-Or's Fabre Project in the Témiscamingue region of northwestern Quebec, covers historical silver-cobalt-nickel, copper, and gold showings within the eastern extents of the famous Cobalt Silver Mining Camp. Tres-Or completed two drill holes totaling 200 m to confirm and extend historically reported (GM 53265) silver-cobalt-bismuth intersections of up to 714.5 grams per tonne (g/t) silver, 8.0% Co, and 1.1% Bi on the property. Tres-Or's two drill holes were located approximately 1.5 km outside the small town of Fabre, Quebec. Certain samples from ½ split drill core have been submitted to Activation Laboratory Ltd. in Ontario and ACME Analytical Laboratories (Vancouver) Ltd. in British Columbia. A further 153 drill core samples have been submitted and are to be processed at Activation Laboratories. The results are pending. Tres-Or has expanded the Fabre Project by staking 17 contiguous claims.

Pascalis

The Company completed ground geophysical work on the Pascalis area properties and on March 16, 2011, signed an Option Agreement with Pershimco Resources Inc. ("Pershimco") to acquire six Pascalis area claim blocks that surround their Courville Property in the Val d'Or-Malartic Gold Mine Camp. The six properties are jointly held by Tres-Or and its 50% partner, Sementiou Inc. Under the terms of the agreement, Pershimco can earn up to 100% in the six Pascalis area properties over a 3 year period subject to a 2.0% NSR where Pershimco can buy back 1.0% NSR for \$1,000,000 and retains a first right to purchase the remaining 1.0% NSR.

Pershimco paid \$50,000 on signing and issued 50,000 shares of Pershimco of which Tres-Or received \$25,000 and 25,000 common shares of Pershimco during the period. Pershimco has agreed to spend \$500,000 in exploration work over 24 months. In addition, 12 months after signing, Pershimco agrees to pay \$50,000 and issue 50,000 shares and in 24 months, pay \$100,000 and issue 100,000 shares. To complete the earn-in, Pershimco has agreed to spend a further \$500,000 in exploration work to earn 100% interest in the six Pascalis claim blocks subject to a 2.0% NSR.

Duvay Gold Project, Quebec, Canada

The Company signed a Property Option Agreement (the "Agreement") in May 2010 to earn up to a 100% interest in the Duvay Gold Project in Quebec. The property consists of 4 claims (169 hectares) in Duvernoy Township, Quebec. The property is subject to a Gross Metals Royalty (GMR) of 1.5% (where gold is US\$800 per ounce or less) and 2.0% (where gold is US\$800 per ounce or greater).

The Company paid a non-refundable cash payment of \$10,000 to the optionor and was granted the sole exclusive right and option to earn an undivided 40% interest in the property by paying the sum of \$115,000 cash (paid) and issuing 250,000 shares (issued) and by incurring expenditures on the property totaling \$275,000 on or before September 30, 2010 (completed). The Company can acquire a further 10% interest for a total of 50% undivided interest by issuing a total of 500,000 shares, 200,000 by December 31, 2010 (issued) with the remaining 300,000 by June 30, 2011 (issued), and by incurring exploration work expenditures of \$1,000,000 (\$500,000 of such expenditures to be incurred on or before December 31, 2010 and the balance by June 30, 2011). Further, the Company will pay the sum of \$225,000 on or before June 30, 2011.

On June 21, 2011, the Company entered into an amended agreement regarding the earn-in of the additional 10% interest in the property. The Company can complete the 50% earn-in by a) incurring exploration expenditure of \$1,000,000 by December 31, 2011, and b) issuing 500,000 shares (200,000 shares issued in December 2010 and 300,000 shares issued on June 21, 2011 (complete), and c) making property payments for the sum of \$300,000 by September 30, 2011 (\$25,000 by June 30, 2011; \$25,000 by July 31, 2011; \$25,000 by August 31, 2011 and \$225,000 by September 30, 2011).

Having acquired the 50% interest, the Company has the option to earn a further 15% interest by completing a technical report on the property and issuing 500,000 shares within 24 months of the signing of the Option Agreement.

The Company can earn a further 15% interest for a total of 80% interest by incurring \$4,000,000 in exploration expenditures. The Company has the right to acquire the remaining 20% interest by effecting a merger, amalgamation or other form of business combination with the optionor, or the Company can purchase any or all of the 20% interest by paying the sum of \$1,000,000 for each 1.0% interest in the property to be purchased.

The Duvay Gold Project is an advanced gold project located in the Abitibi Greenstone Belt about 17 km northeast of Amos, Quebec. Gold was discovered on Tres-Or's Duvay property in the 1930s. Subsequent stripping, test pits, and drilling the 1940s, 1980s, and 1990s returned sample results and drill intervals including samples of up to 402 grams per tonne (g/t) gold (Au) over 0.36 m, 76.8 g/t Au over 0.46 m, 34.6 g/t Au over 0.43 m, 12.01 g/t Au over 1.53 m, 27.17 g/t Au over 1.14 m, and 16.598 g/t Au over 1.76 m from the Duvay property as reported in Quebec government mineral showing files. Tres-Or cannot confirm these historic results due to the age of the reports, and thus has planned an exploration and evaluation program focused on drilling and small test pits in 2011.

Tres-Or has completed the first stage of field work preparatory to planning and initiating an evaluation program to acquire its interest by staged expenditures and establishment of a gold resource compliant with National Instrument 43-101. Completed field work during the year includes surface sampling, detailed structural mapping, 13 diamond drill holes, a high-resolution ground magnetic survey and preliminary modeling of the Duvay Property. The structural mapping identified intersecting compressional and extensional deformation zones associated with the historical high grade reported sample results. These structural intersections are priority target areas for the planned further drilling and pit sample programs.

Results of 18 selected surface samples collected during the structural mapping returned high gold, silver and copper concentrations as well as significant zinc. The samples were selected outcrop samples collected to confirm mineralization during structural mapping. Samples yielding >1.0 g/t gold were collected over a 500 m strike length, including both shear and quartz veins. The highest gold concentrations in these samples are 199 g/t gold, 130 g/t gold and 3.01 g/t gold. In the other 15 samples, gold values ranged between detection limit and 1.2 g/t gold. Two closely spaced chip samples (over lengths of approximately 0.5 m) yielded 1.07 g/t and 1.12 g/t gold, respectively. In addition, the sample with the most gold (at 199 g/t gold) also carried 104 g/t

silver, 4.55% copper and 0.75% zinc. Other samples returned between detection limits and 1.31% copper and up to 45.8 g/t silver and 1.61% zinc.

The high gold concentrations from Tres-Or's samples compare well with historical results of up to 402 g/t gold over 0.36 m as mentioned above. Tres-Or cannot confirm the historical drill results, but the new Tres-Or surface sample results are consistent with such high gold concentrations from drill core. No previous silver, copper or zinc has been reported from the Duvay Gold Project.

Tres-Or collected 19 surface and channels at Duvay, ranging from 0.60 to 15.00 m in length. The channel samples were cut with a rock saw across exposed bedrock to test different types of shear zones, quartz veins, and fault structures detected during surface mapping. Channels longer than 1.0 m were sampled in lengths typically 1.0 m, although individual samples may measure from 0.46 to 1.40 m. Two channels yielded significant gold. Composite sample 36947-36954 yielded 0.64 g/t gold over 8.00 m, including a higher grade interval of 1.65 g/t gold over 2.98 m. This channel is located at the intersection of a west-northwest shear zone with a strong northeast fault, and between historical pit samples from 1986 that yielded 1.1 g/t gold from 1008 tonnes, and 2.81 g/t gold from 1100 tonnes.

Bulk sample tests of coarse gold have been reported at the Tres-Or Duvay Gold Project since the 1940's. Review of these bulk tests reveals significant gold mineralization over a strike length of more than 500 m, based on historical records in reports filed with the Quebec government. Some of the best reported bulk sample results are located close to the major northeast fault as mapped by Tres-Or. These bulk sample results include a 1946 test of 40 tons yielding 7.1 g/t gold, and two 1986 tests yielding 1.10 g/t gold from 1008 tonnes, and 2.81 g/t gold from 1100 tonnes, respectively. Another significant result is bulk sample 86-1 which yielded 12.81 g/t gold from 1194.4 tonnes from near Tres-Or's surface samples which yielded 1.07 g/t gold and 1.12 g/t gold.

The reported location of the larger bulk sample tests fit closely with pits visible on the orthophoto image in Tres-Or's GIS database, supporting the reported undertaking of these bulk tests. Tres-Or cannot confirm the reported pit sample results and true widths cannot be estimated at this time for the historical test pits or the reported drill intersections due to the historical nature of the reports. As with the historical results described above, neither true widths nor continuity can be estimated for the mineralization confirmed by Tres-Or's channel samples at this time, but the samples combined with the Tres-Or surface samples confirm gold mineralization occurs over more than 700 m strike length within the dominant shear zone at Duvay.

Drilling commenced at Duvay in January 2011 targeting major shear zones and fault structures identified by the fall 2010 mapping program. Tres-Or completed 13 drill holes (1233 metres) and has shipped over 950 samples of ½ split drill core for analyses. Assay results are pending and will be compiled and reported when received.

Tres-Or has commenced a program of small bulk tests at Duvay to account for coarse gold. Ten bulk test pits have been permitted, with each designed to yield at least 10 tonnes of finely broken rock. The excavated sample material will be processed on site for coarse gold and a sulphide concentrate will be assayed. The building to house the processing equipment has been completed on site, and is being fitted out now.

During the year, Tres-Or extended its claims position by acquiring rights up to 76% interest in the Duvay Nord property which adjoins the northeast side of the Duvay Gold Project. On September 17, 2010 Tres-Or concluded an agreement to acquire the Duvay Nord property for a cash payment of \$25,000 (paid) and a work commitment of \$50,000 in the first two years, followed by another \$25,000 in work in the third year. The Duvay Nord covers 1785 hectares, including a reported historical drill hole intersection of 6.5 grams per tonne gold over 0.3 m from 1946 (Quebec government showing report GM307-b) and is on structural trend with several more showings. On March 22, 2011, the Company purchased the remaining 24% interests in all the Quebec Gold projects and the Duvay Nord and East Mac Sud properties for a total cash payment of \$100,000 (paid). The optionor will retain a 2.0% Net Smelter Royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for \$1,000,000 and retains a first right of refusal to purchase the remaining 1.0% NSR from the optionor.

East Mac Project

In conjunction with the Duvay exploration, Tres-Or is also exploring the East Mac property which is located 7 km south of Tres-Or's advanced Duvay Gold Project. Quartz veins carrying gold and silver were discovered on the property in the 1930's which Quebec government reports indicate led to construction of a shaft. Historic drill results filed with the Quebec government report drill intersections of 1481.9 g/t silver and 2.4 g/t gold over 0.1 m and 12.3 g/t gold over 0.2 m. Tres-Or prospected, mapped and collected two samples near the site of the old shaft. These two samples returned high gold, silver and lead concentrations as well as anomalous copper.

The highest concentrations in one of the Tres-Or samples taken from the dump pile near the old shaft are 10.5 g/t gold, 345 g/t silver and 1.14% lead. The second sample collected from an outcropping quartz vein returned 62 g/t silver along with anomalous values of gold and other metals.

On November 24, 2010 Tres-Or increased its claims holding and concluded an agreement to acquire 76% interest in the East Mac Sud property comprised of 1,731 hectares of claims contiguous with the East Mac project for a cash payment of \$50,000 (paid) and a work commitment of \$50,000 in the first two years, followed by another \$25,000 in work in the third year. The combined East Mac and East Mac Sud properties comprise 45 claims and cover 2301 hectares in Duvernay Township, 7 km south of the Duvay Gold Project.

The Company completed the consolidation of a substantial wholly-owned land package surrounding its advanced Duvay Gold Project. On March 22, 2011, the Company entered into an agreement with the optionor to purchase the remaining 24% interest in all the Quebec Gold projects, including the Duvay Nord, East Mac and East Mac Sud properties for a total cash payment of \$100,000 (paid). The optionor will retain a 2.0% Net Smelter Royalty ("NSR") and the Company has the right to purchase 1.0% of the NSR for \$1,000,000 and retains a first right of refusal to purchase the remaining 1.0% NSR from the optionor.

During the period Tres-Or completed agreements to purchase additional Duvay Gold Project claims for cash payments totaling \$125,000. The payments of \$125,000 are scheduled to be paid in increments to January 15, 2012 (\$50,000 paid) and 4 of these claims are subject to a 2.0% GMR.

Notre Dame du Nord Project, Quebec

The Company owns 100% interest in certain mineral claims in the Notre Dame du Nord area of Quebec. The Company paid \$133,920, completed \$171,200 of exploration expenditures and issued 280,000 common shares with a value of \$70,000 to earn its interest. The vendors retain a 2.0% NSR. The Company may purchase the NSR for \$1,000,000 at any time prior to commercial production of any mineral discovered on the claims and also retains the First Right of Refusal to buy-back the remaining 1.0% NSR. In addition, the Company agreed to deliver 100,000 common shares one day prior to the commencement of commercial production subject to regulatory approval.

The Notre Dame du Nord properties host three (3) kimberlite pipes and three (3) kimberlite bodies discovered by drilling. Certain of the property claims are also prospective for precious and base metals with several known mineralized showings recommended for further geological investigation.

Six vertical reverse circulation (RC) holes were completed to bedrock beneath thick pro-glacial clays, glacial-fluvial sands and gravels, and till on the wholly-owned Guigues kimberlite pipe. Microprobe analyses from kimberlite indicator minerals (KIMs) recovered from the RC drill holes returned eclogite garnets comparable to most inclusions in diamond. These eclogite garnets with diamond inclusion compositions were recovered from each sample, but with noticeably greater abundance in the central and southern part of the pipe.

Most other minerals exhibit little variation between samples, although the chromites are more encouraging from the central part of the pipe. The most Cr-rich at 64.72% Cr₂O₃ comes from the central part of the pipe and it is also Mg-rich, similar to chromite included in diamond. Three other chromites with greater than 61.0% Cr₂O₃ and somewhat lower MgO are comparable to chromite intergrown with diamond.

Given the recovery of encouraging eclogite garnets with diamond inclusion compositions, and the potential of high quality diamonds as suggested by production from the Victor Mine within the same Superior Craton, recommendations conclude the Guigues kimberlite merits direct testing for microdiamonds. The primary goal for the recommended drill program is to recover NQ drill core from the most prospective parts of the pipe suitable for caustic fusion tests at a modern independent Canadian laboratory.

Certain claims in the Notre Dame du Nord property lapsed and all costs related to these claims were written off to operations for a total write-down of \$244,398 as of February 28, 2010.

Temagami North Diamond Project

Tres-Or discovered the largest diamond-bearing kimberlite in Ontario in 2005, the Lapointe Kimberlite Pipe, located about 80 km southeast of Timmins, Ontario. In March 2007, two 21-year surface and mineral rights leases were granted to Tres-Or by the Province of Ontario. The total area of the leases is 388.7 hectares and covers the +21 hectare Lapointe Pipe and surrounding lands.

On May 5, 2005, the Company signed a Letter of Intent with Arctic Star which was amended on December 2, 2005 for Arctic Star to earn a 40% interest in certain mineral claims forming part of the Company's Temagami North diamond project. To earn the 40% interest, Arctic Star paid \$186,000 to the Company and incurred \$866,325 of exploration work and issued 333,333 common shares with a value of \$50,000 to the Company. On May 31, 2006, the Company and Arctic Star signed a Joint Venture Agreement whereby the Company holds 60% and Arctic Star (40%) participating interest. If either party decides not to contribute to the approved work programs and budget, then the participant's interest would be diluted accordingly. If at any time one of the participant's interest is diluted to less than 10%, then that participant's interest is converted to a 5% Net Profits Interest (NPI) of the joint venture. Certain of the claims forming the Arctic Star joint venture lapsed during the year ended February 28, 2011 and accordingly, the Company wrote-off related costs of \$272,450 to operations.

In March 2008, the Company and Arctic Star executed an amendment to this JV Agreement and Arctic Star transferred its interest in the Lapointe Kimberlite to Tres-Or in order to maintain an undiluted 40% interest in Temagami North exploration claims proximal to Lapointe. Tres-Or assumed the full cost of the exploration programs carried out at the Lapointe Pipe, and acquired a 100% interest in the two Lapointe Mining Leases subject to a 5.0% NPI granted to Arctic Star.

Mann Platinum/Palladium Project, Ontario, Canada

The Company has an option to acquire a 100% interest in 19 claims forming part of the Mann Platinum/Palladium Project in the Porcupine Mining Division, Ontario subject to the issuance of 100,000 Tres-Or common shares and a 3% NSR. The Company can purchase 1% NSR for \$1,000,000 at any time prior to commercial production. In addition, the Company will issue 100,000 common shares to the optionor one day prior to commercial production subject to regulatory approvals. The Company holds 100% interest in certain adjoining staked claims.

The Mann Property lies within the Mann Intrusive Complex, a large under-explored layered ultramafic/mafic intrusion. Drilling by Tres-Or extended the shallow, in-situ platinum (Pt) and palladium (Pd) mineralization hosted by a pyroxenite layer which traverses the property. Preliminary correlation of the drilling and later till sampling, prospecting and mapping was completed on the project and further work is recommended.

Certain of the Company's staked claims adjoining the Mann project option lapsed and all costs related to these claims were written off to operations for a total write-down of \$12,000 as of February 28, 2011 (2010 - \$nil).

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Accounts payable to related parties of \$60,118 (February 28, 2011 - \$102,654; March 1, 2010 - \$210,812) consisted of amounts due to a director, a private company controlled by a director and to law firms in which a director and the Company's corporate secretary are partners.

During the three month period ended May 31, 2011, the Company entered into the following transactions with related parties:

1. Paid or accrued \$26,070 (2010 - \$nil) to a company controlled by a director for geological services which have been capitalized to deferred exploration costs and paid or accrued \$13,500 (2010 - \$13,500) to this company for management services.
2. Paid or accrued \$4,135 (2010 - \$nil) in professional fees to a law firm in which a director is a partner.
3. Paid \$2,550 (2010 - \$2,550) as automobile allowance (included in travel and promotion) to a company controlled by a director.
4. Issued Nil (2010 - 1,425,000) stock options to directors, officers, and key management personnel with a fair value of \$Nil (2010 - \$116,137).

These transactions were in the normal course of operations.

PROPOSED TRANSACTIONS

The Company continues to evaluate new property acquisitions, and to explore and develop its mineral properties. Should it enter into agreements over new properties, it may be required to make cash payments and complete work expenditure commitments.

SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

These consolidated financial statements include the accounts of the Company, which is incorporated under the laws of British Columbia, and its wholly owned subsidiary, Tres-Or Resources (Ghana) Ltd. which is incorporated in Ghana. All significant intercompany balances and transactions have been eliminated upon consolidation.

Name of subsidiary	Principal activity	Incorporation	Interest May 31, 2011	Interest February 28, 2011	Interest March 1, 2010
Tres-Or Resources (Ghana) Ltd.	Participating interest in profit sharing agreement (Note 6)	Ghana	100%	100%	100%

Use of Estimates

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates.

These condensed consolidated interim financial statements include estimate which, by their nature, are uncertain. The impacts of such estimate are pervasive throughout the condensed interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic

conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, depreciation and impairment of property, plant and equipment, share-based payments and fair value of finders' warrants.

Property, Plant and Equipment

Property, plant and equipment is stated at cost, including betterment and renewals subsequent to acquisition, less accumulated amortization. When property, plant and equipment is sold or abandoned, the recorded costs and related accumulated amortization are removed from the accounts and any gains or losses are included in the determination of net earnings. Repairs and maintenance are recorded as an expense as incurred.

Amortization is calculated on a declining balance method at the following rates per annum:

<u>Asset</u>	<u>Rate</u>
Building	4%
Computer equipment	30%
Furniture	20%
Field equipment	30%

The Company reviews the carrying value of property, plant and equipment for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The Company's policy is to record an impairment loss in the period when it is determined that the carrying amount of the asset exceeds the estimate of undiscounted future cash flows from the asset. At that time, the carrying amount is written down to fair value.

Exploration and Evaluation Assets – Mineral Properties

Pre-exploration costs are expensed in the period in which they are incurred.

All costs related to the acquisition, exploration and development of mineral properties are capitalized by property. If economically recoverable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. When a property is abandoned, all related costs are written-off to operations. If, after management review, it is determined that the carrying amount of a mineral property is impaired, that property is written-down to its estimated net realizable value. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The amounts shown for mineral properties do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development, and future profitable production or proceeds from the disposition thereof.

Provisions for Environmental Rehabilitation

The Company recognizes the liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of tangible long-lived assets in the period when the liability arises. The net present value of future rehabilitation costs is capitalized to the long-lived asset to which it relates with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The increase in the provision due to the passage of time is recognized as interest expense.

The Company has no known restoration, rehabilitation or environmental costs related to its mineral properties.

Joint Ventures

Some of the Company's exploration and development activities are conducted jointly with others and, accordingly, the financial statements reflect only the Company's interest in their joint venture exploration and development activities.

Leased Assets

Where substantially all of the risks and rewards incidental to ownership of a leased asset have been transferred to the Company (a "financial lease"), the asset is treated as if it had been purchased outright. The amount initially recognized as an asset is the lower of the fair value of the leased property and the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a liability. Lease payments are analyzed between capital and interest. The interest element is charged to the statement of comprehensive loss over the period of the lease and is calculated so that it represents a constant proportion of the lease liability. The capital element reduces the balance owed to the lessor.

Where substantially all of the risks and rewards incidental to ownership are not transferred to the Company (an "operating lease"), the total rentals payable under the lease are charged to the statement of comprehensive loss on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognized as a reduction of the rental expense over the lease term on a straight-line basis.

Share-based Payments

The Company grants stock options to buy common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital. When vested options are forfeited or are not exercised at the expiry date the amount previously recognized in share-based compensation is transferred to accumulated losses (deficit).

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured as fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods and services rendered.

Loss per Share

The dilutive effect on earnings (loss) per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. For the periods presented, this calculation proved to be anti-dilutive.

Basic earnings (loss) per common share is calculated using the weighted-average number of shares outstanding during the period.

Warrants

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate mineral properties. These equity financing transactions may involve issuance of common shares or units. Each unit comprises a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each equity financing agreement, the warrants are exercisable into additional common shares at a price prior to expiry as stipulated by the agreement. Warrants that are part of units are assigned a value based on the residual value of the unit after

deducting the fair value of the common shares. Warrants that are issued as payment for agency fees or other transactions costs are accounted for as share-based payments.

Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets and liabilities that affect neither accounting nor taxable loss, and differences relating to investments in subsidiaries to the extent that they will be probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it provides a valuation allowance against that excess.

Flow-Through Common Shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The portion of the proceeds received but not yet expended at the end of the Company's period is disclosed separately as flow-through share proceeds.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Foreign Exchange

Items included in the financial statements of the Company's subsidiary are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company and its subsidiary is the Canadian dollar.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in comprehensive loss.

Financial Instruments

Financial instruments are classified into one of the following categories based on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Financial assets at fair value through profit or loss (“FVTPL”)

A financial asset is classified at fair value through profit or loss if it classified as held-for-trading or is designated as such upon initial recognition. Financial assets are designated as FVTPL if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company’s risk management strategy. Attributable transaction costs are recognized in profit or loss when incurred. FVTPL are measured at fair value, and changes are recognized in profit or loss.

Held-to-maturity (“HTM”)

These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company’s management has the positive intention and ability to hold to maturity. These assets are measured at amortized costs using the effective interest method. If there is objective evidence that the asset is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in profit or loss.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted on an active market. Such assets are initially recognized at fair value plus any attributable transaction costs. Subsequent to initial recognition loan and receivables are measured at amortized cost using the effective interest method, less any impairment loss.

Available for sale (“AFS”)

Non-derivative financial assets not included in the above categories are classified as available for sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in profit or loss.

Financial liabilities

Fair value through profit or loss

This category comprises derivatives, or liabilities, acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities

This category includes promissory notes, amounts due to related parties and accounts payable and accrued liabilities, all of which are recognized at amortized cost.

The Company classified its financial liabilities which consisted of accounts payable and accrued liabilities as other liabilities.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investments have been impacted.

For all financial assets objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Default or delinquency in interest or principal payments; or
- It becoming probable that the borrower will enter bankruptcy or financial re-organization.

For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by the impairment loss directly for all financial assets with the exemption of receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable is considered uncollectable, it is written off against the allowance account. Subsequent recoveries of amount previously written off are credited against the allowance account. Changes in the carrying amount of the allowance are recognized in profit and loss.

With the exception of AFS marketable securities, it, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized. In respect of AFS marketable securities, impairment losses previously recognized through profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized directly in equity.

Comprehensive Income

Comprehensive income is the change in the Company's shareholders' equity that results from transactions and other events from other than the company's shareholders and includes items that would not normally be included in net earnings, such as unrealized gains and losses on available-for-sale investments. This standard requires certain gains and losses that would otherwise be recorded as part of net earnings to be presented in other "comprehensive income" until it is considered appropriate to recognize into net earnings.

This standard requires the presentation of comprehensive income and its components in a separate financial statement that is displayed with the same prominence as the other financial statements.

Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

New standards not yet adopted

In November 2009, the IASB published IFRS 9, "Financial Instruments," which covers the classification and measurement of financial assets as part of its project to replace IAS 39, "Financial Instruments: Recognition and Measurement." In October 2010, the requirement for classifying and measuring financial liabilities were added to IFRS 9. Under this guidance, entities have the option to recognize financial liabilities at fair value through earnings. If the option is elected, entities would be recognized financial liabilities at fair value through earning. If the option is elected, entities would be required to reverse the portion of the fair value change due to own credit risk out of earnings and recognized the change in other comprehensive income. IFRS 9 is effective for the Company on January 1, 2013. An early adoption is permitted and the standard is required to be applied retrospectively. There will be no significant impact on the Company upon implementation of the issued standard.

Financial Assets

The estimated fair value of financial assets is equal to their carrying values. The fair value of cash and marketable securities are based on level 1 inputs of the fair value hierarchy. The Company's financial assets were held in the following currencies:

Stated in Canadian Dollars

May 31, 2011

Carrying Value	Canadian Dollar	US Dollar	Ghanaian New Cedi	Total
Cash	715,801	30	-	715,836
Marketable securities	27,067	-	-	27,067
Advances on projects	-	-	-	-

Financial Liabilities

The estimated fair value of financial liabilities is equal to their carrying values. The Company's financial liabilities were held in the following currencies:

Stated in Canadian Dollars

May 31, 2011

Carrying Value	Canadian Dollar	US Dollar	Ghanaian New Cedi	Total
Accounts payable and accrued liabilities	275,996	-	13,547	289,543
Accounts payable to related parties	60,118	-	-	60,118

RISKS AND UNCERTAINTIES

Exploration and Development

Mineral exploration and development involves significant risk as few properties that are explored contain mineral deposits of significant grade and size as to produce a profit from development. If exploration programs do not discover commercially viable mineral deposits the Company will be required to acquire additional properties and write-off investments in existing mineral properties.

Regulatory Requirements

Mineral exploration and development activities are subject to various law and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, exports, environmental protection and remediation and other matters. Changes in these regulations or in their application are beyond the Company's control and could adversely affect its operations.

Environmental regulation

The Company may be subject to potential risks and liabilities associated with pollution of the environment that could occur as a result of mineral exploration, development and the disposal of waste products. Environmental regulation is evolving in a direction of stricter standards and enforcement and greater fines and penalties. The cost of compliance with stricter government regulation could reduce the profitability of operations.

Metal prices

The profitability of the Company's operations will be significantly affected by changes in diamonds and base metal prices. Metal prices are volatile and are affected by numerous factors beyond the Company's control such as industrial and jewelry demand, inflation international economic and political trends, increased production and smelter availability.

Competition

The mining and resource exploration industries are intensely competitive and the Company competes with other companies that have greater financial resources, technical capacity and experience. Competition could adversely affect the Company's ability to acquire additional mineral properties and recruit and retain qualified employees and other personal.

Financial Instrument Risk

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include liquidity, credit, currency, and interest rate risks. Where material, these risks are reviewed and monitored by the Board of Directors.

1. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities. The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. The Company anticipated it will need additional capital in the future to finance ongoing exploration of its properties, such capital to be derived from the exercise of outstanding stock options and/or the completion of other equity financings. The Company has limited financial resources, has no source of operating income and has no assurance that additional funding will be available to it for future exploration and development of its projects, although the Company has been successful in the past in financing its activities through the sale of equity securities. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success. In recent years, the securities markets in Canada has experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

2. Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash, marketable securities, receivables and advances on projects. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. The Company is exposed to credit risk with respect to the advances on projects. Repayment on these advances is dependent on the success of the operations of the Ghana projects which are controlled by Warwick.

The majority of the Company's cash are held with major Canadian based financial institutions. Receivables mainly consist of sales tax refunds from federal and provincial governments of Canada.

3. Currency risk

The Company operates in Canada and Ghana and is therefore exposed to foreign exchange risk arising from transactions denominated in a foreign currency.

The operating results and the financial position of the Company are reported in Canadian dollars. The fluctuations of the operating currencies in relation to the Canadian dollar will, consequently, have an impact upon the reporting results of the Company and may also affect the value of the Company's assets and liabilities.

The Company has cash, advances on projects and accounts payable and accrued liabilities held in Ghanaian New Cedi and therefore are subject to fluctuations against the Canadian dollar.

The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

4. Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Current cash are generally not exposed to interest rate risk because of their short-term maturity. Advances on projects bear a fixed interest rate of 12% per annum and is therefore not exposed to interest rate risk.

5. Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's marketable securities are classified as available for sale and trade on the stock market. The Company closely monitors its marketable securities stock market movements and commodity prices of precious metals, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Mineral Properties

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs relating to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be impairment. These costs will be amortized on the basis of units produced in relation to the proven reserves available on the related property following commencement of production.

The recorded cost of mineral property interests is based on cash paid, the assigned value of share considerations issued for mineral properties and exploration and development costs incurred. The recorded amount may not reflect recoverable value as this will be dependent on the development program, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production.

The Company defers all exploration expenses relating to mineral properties and areas of geological interest until the properties to which they relate are placed into production, sold or abandoned or management has determined there to be an impairment. These costs will be amortized over the proven reserves available on the related property following commencement of production.

	Quebec Gold Projects, Quebec	Duvay Gold Projects, Quebec	Notre Dame du Nord, Quebec	Mann Project, Ontario	Temagami Diamond North, Ontario	Total
	\$	\$	\$	\$	\$	\$
Balance, February 28, 2011	580,717	898,963	1,665,236	155,569	1,208,706	4,509,199
Expenditures						
Acquisition costs	-	174,000	-	-	-	174,000
Assays, staking, mapping	2,660	4,721	312	-	-	7,693
Drilling	-	16,019	-	-	-	16,019
Geological and geophysical	16,670	41,900	-	800	1,150	60,520
Office, miscellaneous and travel	(631)	29,647	-	-	1,857	30,873
Share-based payments	-	-	-	-	-	-
	18,699	266,287	312	800	3,007	289,105
Cost recoveries	(38,750)	-	-	-	(1,500)	(40,250)
Write-off of mineral properties	-	-	-	-	-	-
	(20,051)	266,287	312	800	1,507	248,855
Balance, May 31, 2011	560,666	1,165,250	1,665,548	156,369	1,210,213	4,758,046

CRITICAL ACCOUNTING ESTIMATES

Mineral Property Interests

The most significant accounting estimate for the Company relates to the carrying value of its mineral property interests. On a periodic basis, management reviews the carrying values of mineral property interest acquisitions and exploration expenditures with a view to assessing whether there has been any impairment in carrying value. Management takes into consideration various information including, but not limited to, results of exploration activities conducted, estimated future metal prices, and reports and opinions of geologists, mine engineers and consultants. When it is determined that a project or interest will be abandoned, or that its carrying value has been impaired, a provision is made for any expected loss in value of the project or interest.

Share-based Payments

Share based payments are accounted for at fair value as determined by the Black-Scholes option pricing model using assumptions that are believed to approximate the volatility of the trading price of the Company's stock, the expected lives of awards of stock-based compensation, the fair value of the Company's stock and the risk-free interest rate. The estimated fair value of awards of share based payments are charged to expenses as awards vest, with offsetting amounts recognized as equity reserve.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management has designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Lack of optimal segregation of duties has been observed due to the relatively small size of the Company, but management believes that these weaknesses have been adequately mitigated through management oversight, compensation controls, and a strong control environment.

EXPLANATION OF TRANSITION TO IFRS

Under IFRS 1 First-time Adoption of International Financial Reporting Standards, the IFRS are applied retrospectively at the transition date with all adjustments to assets and liabilities as stated under Canadian GAAP taken to retained earnings unless certain exemption are applied. The IFRS provides for certain optional exemptions and certain mandatory exemptions for first time IFRS adopters.

1. Optional exemptions

Share-based payments

IFRS 1 permits the application of IFRS 2, Share-based Payments, only to equity instruments granted after November 7, 2002 that had not vested by the Transition Date. The Company has elected to apply this exemption and will apply IFRS 2 only to equity instruments that had not vested by March 1, 2010.

Business Combinations

The Company has elected not to retrospectively apply IFRS 3 Business Combinations to any business combination that may have occurred prior to its Transition Date and such business combinations have not been restated.

2. Mandatory exceptions

Reconciliation of Canadian GAAP and comprehensive loss to IFRS

IFRS requires an entity to reconcile equity, comprehensive loss and cash flows for prior periods. The changes made to the statements of financial positions and statements of comprehensive loss as shown in the tables below have resulted in reclassifications of various amounts on the statements of cash flows, however as there have been no material adjustments to the net cash flows, no reconciliation of the statement of cash flows has been prepared.

The March 1, 2010 Canadian GAAP balance sheet has been reconciled to IFRS as follows:

	Note	Canadian GAAP	Effect of transition to IFRS	IFRS
		\$	\$	\$
ASSETS				
Current assets				
Cash		9,364	-	9,364
Marketable securities		30,833	-	30,833
Receivables		12,656	-	12,656
Prepaid expenses		1,338	-	1,338
Total current assets		54,191	-	54,191
Non-current assets				
Advances on projects		709,554	-	709,554
Property, plant and equipment		116,846	-	116,846
Exploration and evaluation assets		3,340,176	-	3,340,176
Total non-current assets		4,166,576	-	4,166,576
TOTAL ASSETS		4,220,767	-	4,220,767
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities		448,695	-	448,695
Accounts payable to related parties		210,812	-	210,812
Total liabilities		659,507	-	659,507
Non-current liabilities				
Flow-through share premium liability	(i)	-	38,107	38,107
TOTAL LIABILITIES		659,507	38,107	697,614
EQUITY				
Share capital	(i)	12,408,684	(22,937)	12,385,747
Equity reserves		1,404,694	-	1,404,694
Accumulated other comprehensive loss		(113,704)	-	(113,704)
Deficit	(i)	(10,138,414)	(15,107)	(10,153,584)
TOTAL EQUITY		3,561,260	(38,107)	3,523,153
TOTAL LIABILITIES AND EQUITY		4,220,767	-	4,220,767

The May 31, 2010 Canadian GAAP interim balance sheet has been reconciled to IFRS as follows:

	Note	Canadian GAAP	Effect of transition to IFRS	IFRS
		\$	\$	\$
ASSETS				
Current assets				
Cash		596,754	-	596,754
Marketable securities		28,667	-	28,667
Receivables		22,830	-	22,830
Prepaid expenses		1,331	-	1,331
Total current assets		649,582	-	649,582
Non-current assets				
Advances on projects		716,169	-	716,169
Property, plant and equipment		115,268	-	115,268
Exploration and evaluation assets		3,478,567	-	3,478,567
Total non-current assets		4,310,004	-	4,310,004
TOTAL ASSETS		4,959,586	-	4,959,586
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities		333,515	-	333,515
Accounts payable to related parties		85,651	-	85,651
Total liabilities		419,166		419,166
Non-current liabilities				
Flow-through share premium liability	(i)	-	38,107	38,107
TOTAL LIABILITIES		419,166	38,107	457,273
EQUITY				
Share capital	(i)	13,357,991	(22,937)	13,335,054
Equity reserves		1,682,387	-	1,682,387
Accumulated other comprehensive loss		(115,871)	-	(115,871)
Deficit	(i)	(10,384,087)	(15,107)	(10,399,257)
TOTAL EQUITY		4,540,420	(38,107)	4,502,313
TOTAL LIABILITIES AND EQUITY		4,959,586	-	4,959,586

The February 28, 2011 Canadian GAAP interim balance sheet has been reconciled to IFRS as follows:

	Note	Canadian GAAP	Effect of transition to IFRS	IFRS
		\$	\$	\$
ASSETS				
Current assets				
Cash		1,237,256	-	1,237,256
Marketable securities		14,533	-	14,533
Receivables		118,747	-	118,747
Prepaid expenses		1,288	-	1,288
Total current assets		1,371,824	-	1,371,824
Non-current assets				
Advances on projects		-	-	-
Property, plant and equipment		110,535	-	110,535
Exploration and evaluation assets		4,509,191	-	4,509,191
Total non-current assets		4,619,726	-	4,619,726
TOTAL ASSETS		5,991,550	-	5,991,550
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities		439,263	-	439,263
Accounts payable to related parties		102,654	-	102,654
Total liabilities		541,917	-	541,917
Non-current liabilities				
Flow-through share premium liability		-	-	-
TOTAL LIABILITIES		541,917	-	541,917
EQUITY				
Share capital	(i)	15,785,183	(10,917)	15,796,100
Equity reserves		1,647,382	-	1,647,382
Accumulated other comprehensive loss		(130,004)	-	(130,004)
Deficit	(i)	(11,852,928)	10,917	(11,863,845)
TOTAL EQUITY		5,449,633	-	5,449,633
TOTAL LIABILITIES AND EQUITY		5,991,550	-	5,991,550

The Canadian GAAP statement of interim comprehensive loss for the three month period ended May 31, 2010 has been reconciled to IFRS as follows:

	Note	Canadian GAAP	Effect of transition to IFRS	IFRS
		\$	\$	\$
GENERAL AND ADMINISTRATIVE EXPENSES				
Amortization		1,578	-	1,578
Consulting fees		40,577	-	40,577
Expense recoveries		-	-	-
Foreign exchange loss		5	-	5
Management fees		13,500	-	13,500
New project development		300	-	300
Office and miscellaneous		8,578	-	8,578
Professional fees		27,860	-	27,860
Share-based payments		142,289	-	142,289
Telephone		1,325	-	1,325
Transfer agent and regulatory fees		1,881	-	1,881
Travel and promotion		14,629	-	14,629
Loss before other item		(252,522)	-	(252,522)
OTHER ITEM				
Interest income		6,849	-	6,849
Loss before income taxes		(245,673)	-	(245,673)
Deferred income tax recovery		-	-	-
Net loss for the period		(245,673)	-	(245,673)

The Canadian GAAP statement of interim comprehensive loss for the year ended February 28, 2011 has been reconciled to IFRS as follows:

	Note	Canadian GAAP	Effect of transition to IFRS	IFRS
		\$	\$	\$
GENERAL AND ADMINISTRATIVE EXPENSES				
Amortization		6,311	-	6,311
Consulting fees		181,825	-	181,825
Expense recoveries		-	-	-
Foreign exchange loss		(1,767)	-	(1,767)
Management fees		54,000	-	54,000
New project development		25,416	-	25,416
Office and miscellaneous		21,885	-	21,885
Professional fees		183,925	-	183,925
Share-based payments		295,862	-	295,862
Telephone		9,553	-	9,553
Transfer agent and regulatory fees		21,090	-	21,090
Travel and promotion		75,190	-	75,190
Loss before other item		(873,290)	-	(873,290)
OTHER ITEMS				
Interest income		86,482	-	86,482
Write-off of exploration assets		(284,450)	-	(284,450)
Extinguishment of accounts payable		49,535	-	49,535
Valuation allowance of advances on projects		(794,700)	-	(794,700)
Loss before income taxes		(1,816,423)	-	(1,816,423)
Deferred income tax recovery	(i)	101,909	4,253	106,102
Net loss for the period		(1,714,514)	4,253	(1,710,261)

Explanations for the adjustments are as follows:

(i) Flow-through shares

Under Canadian GAAP, share capital is recorded as net proceeds less the deferred tax liability related to the renounced expenditures. Under the IFRS framework, the increase to share capital when flow-through shares are issued is measured based on the current market price of common shares. The incremental proceeds, or premium, are recorded as a deferred charge. When expenditures are renounced, a deferred tax liability is recognized and the deferred charge is reversed. The net amount is recognized as deferred tax expense. On adoption of IFRS, the Company recorded a \$22,937 decrease to share capital and a premium liability of \$38,107.

SUBSEQUENT EVENTS

1. The Company entered into various mineral property agreements as outlined in the Duvay Gold Project, Quebec property summaries above.
2. The Company entered into a Letter of Intent to acquire the interest in certain mineral claims in Quebec of Globex Mining Enterprises Inc. ("Globex") being a 75% interest in 16 claims and a 100% interest in 6 claims, collectively the Fontana Gold Property. The Company made a non-refundable deposit of \$25,000 and will endeavor to enter into a definitive agreement with Globex on or before September 15, 2011.

DISCLAIMER

The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. It should be read in conjunction and in context with all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented.

Certain data included in this document may be historical in nature and as such may not conform to the requirements of NI-43-101, may not have been verified by the Company's qualified person and therefore should not be relied upon.

ADDITIONAL INFORMATION

Additional information about the Company is available on SEDAR at www.sedar.com and at the Company's website www.tres-or.com