

**WPC RESOURCES INC.**  
**(Formerly Northern Shield Metals Ltd.)**

**Financial Statements**  
**November 30, 2008 and 2007**

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## AUDITORS' REPORT

### TO THE DIRECTORS OF WPC RESOURCES INC. (Formerly Northern Shield Metals Ltd.)

We have audited the balance sheets of WPC Resources Inc. (formerly Northern Shield Metals Ltd.) as at November 30, 2008 and 2007 and the statements of operations and deficit and cash flows for the year ended November 30, 2008 and the initial 232-day period ended November 30, 2007. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2008 and 2007 and the results of its operations and its cash flows for the year ended November 30, 2008 and the initial 232-day period ended November 30, 2007 in accordance with Canadian generally accepted accounting principles.

*"Smythe Ratcliffe LLP" (signed)*

Chartered Accountants

Vancouver, British Columbia  
May 13, 2009, except as to notes 6 and 11,  
which are as of January 8, 2010.

**WPC RESOURCES INC.**  
**(Formerly Northern Shields Metals Ltd.)**  
**Balance Sheets**  
**November 30**  
(Restated – note 11)

	<b>2008</b>	<b>2007</b>
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 507,798	\$ 624,427
Accounts receivable	5,240	614
	513,038	625,041
<b>Resource Property Interest</b> (note 6) (schedule)	220,205	105,908
	\$ 733,243	\$ 730,949
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 19,998	\$ 9,998
<b>Shareholders' Equity</b>		
<b>Capital Stock</b> (note 7)	2	2
<b>Obligation to Issue Shares</b> (note 7(b))	745,004	732,004
<b>Deficit</b>	(31,761)	(11,055)
	713,245	720,951
	\$ 733,243	\$ 730,949

Going Concern (note 2)  
Subsequent Events (note 10)

Approved on behalf of the Board:

*"W.K.C. Clarke"*  
..... Director  
W.K.C. Clarke

*"Al Fabbro"*  
..... Director  
Al Fabbro

**WPC RESOURCES INC.**  
(Formerly Northern Shields Metals Ltd.)  
**Statements of Operations and Deficit**

	Year Ended November 30, 2008	Initial 232-Day Period Ended November 30, 2007
<b>Expenses</b> (note 9)		
Professional fees	\$ 19,000	\$ 10,000
Office	12,000	0
Rent	9,000	0
Legal	2,159	1,014
<b>Loss Before Other Item</b>	(42,159)	(11,014)
<b>Other Item</b>		
Interest income (expense), net	21,453	(41)
<b>Net Loss and Comprehensive Loss for Period</b>	(20,706)	(11,055)
<b>Deficit, Beginning of Period</b>	(11,055)	0
<b>Deficit, End of Period</b>	\$ (31,761)	\$ (11,055)

**WPC RESOURCES INC.**  
(Formerly Northern Shields Metals Ltd.)  
**Statements of Cash Flows**

	Year Ended November 30, 2008	Initial 232-Day Period Ended November 30, 2007
<b>Operating Activities</b>		
Net loss for the period	\$ (20,706)	\$ (11,055)
Changes in non-cash working capital		
Accounts receivable	(4,626)	(614)
Accounts payable and accrued liabilities	10,000	10,000
<b>Cash Used in Operating Activities</b>	<b>(15,332)</b>	<b>(1,669)</b>
<b>Investing Activity</b>		
Resource property interests	(114,297)	(25,908)
<b>Financing Activity</b>		
Issuance of common shares, net	13,000	652,004
<b>Inflow (Outflow) of Cash</b>	<b>(116,629)</b>	<b>624,427</b>
<b>Cash and Cash Equivalents, Beginning of Period</b>	<b>624,427</b>	<b>0</b>
<b>Cash and Cash Equivalents, End of Period</b>	<b>\$ 507,798</b>	<b>\$ 624,427</b>
<b>Cash and Cash Equivalents Consists of:</b>		
Cash (bank indebtedness)	\$ (5,999)	\$ 624,427
Term deposits	513,797	0
	<b>\$ 507,798</b>	<b>\$ 624,427</b>
<b>Supplemental Cash Flow Information</b>		
Non-cash transaction		
Obligation to issues shares for resource property interests	\$ 0	\$ 80,000

## **WPC RESOURCES INC.**

**(Formerly Northern Shields Metals Ltd.)**

**Notes to Financial Statements**

**Year Ended November 30, 2008 and Initial 232-Day Period Ended November 30, 2007**

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### **1. OPERATIONS**

WPC Resources Inc. (formerly Northern Shields Metals Ltd.) (the "Company") was incorporated under the laws of British Columbia on April 13, 2007. The Company's principal business is the acquisition, exploration and development of resource property interests.

### **2. GOING CONCERN**

These financial statements have been prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on the Company being able to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration for and development of its resource property interests, the attainment of profitable mining operations, or the receipt of proceeds from the disposition of its resource property interests. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary, should the Company be unable to continue as a going concern.

The Company reported a net loss of \$20,706 for the year ended November 30, 2008 (\$11,055 for the initial 232-day period ended November 30, 2007) and has an accumulated deficit of \$31,761 as at November 30, 2008 (2007 - \$11,055). As at November 30, 2008, the Company had \$507,798 in cash and cash equivalents available to meet its liabilities as they become due and continue exploring its resource property interests in the next year. The Company relies on financing through the issuance of additional shares of its common stock until such time as it achieves sustained profitability through profitable mining operations, or the receipt of proceeds from the disposition of its resource property interests. There are no assurances that the Company will be able to raise sufficient funds to continue exploration of its resource property interests.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

(a) Basis of presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and are stated in Canadian dollars, which is the Company's functional currency.

(b) Cash and cash equivalents

Cash and cash equivalents is comprised of cash and highly liquid short-term investments maturing within one year from the original dates of acquisition that can be converted at any time to known amounts of cash with no significant price risk.

(c) Interest income

Interest income is accrued on a time-apportioned basis by reference to the principal outstanding using the effective interest method.

## WPC RESOURCES INC.

(Formerly Northern Shields Metals Ltd.)

Notes to Financial Statements

Year Ended November 30, 2008 and Initial 232-Day Period Ended November 30, 2007

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### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Income taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis, and losses carried forward. Future tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in operations in the period in which the change is enacted or substantially assured. The amount of future income tax assets is limited to the amount of the benefit that is more likely than not to be realized.

(e) Resource property interests

The Company defers all costs related to investments in resource property interests on a property-by-property basis. Such costs include resource property acquisition costs and exploration expenditures, net of any recoveries. Costs are deferred until such time as the extent of mineralization has been determined and resource property interests are either developed, the property is sold or the Company's mineral rights are allowed to lapse.

All deferred costs are reviewed, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount (as estimated by quantifiable evidence of an economic geological resource or reserve or by reference to option or joint venture expenditure commitments) or when, in the Company's assessment, it will be unable to sell the property for an amount greater than the deferred costs, the property is written down for the impairment in value.

From time to time, the Company may acquire or dispose of a resource property interest pursuant to the terms of an option agreement. As options are exercisable entirely at the discretion of the optionee, option payments are recorded as property costs or recoveries when the payments are made or received.

The amounts shown for deferred costs represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful life of the property upon commencement of commercial production or written off if the property is abandoned or the claims allowed to lapse.

(f) Use of estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of estimates include accrued liabilities, the recoverability of resource property interest, and the determination of valuation allowance for future income tax assets. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

## WPC RESOURCES INC.

(Formerly Northern Shields Metals Ltd.)

Notes to Financial Statements

Year Ended November 30, 2008 and Initial 232-Day Period Ended November 30, 2007

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### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Asset retirement obligations ("ARO")

The Company recognizes an estimate of the liability associated with an ARO in the financial statements at the time the liability is incurred. The estimated fair value of the ARO is recorded as a long-term liability, with a corresponding increase in the carrying amount of the related asset. The liability amount is increased each reporting period due to the passage of time and the amount of accretion is charged to earnings in the period. The ARO can also increase or decrease due to changes in the estimates of timing of cash flows or changes in the original estimated undiscounted cost. Actual costs incurred upon settlement of the ARO are charged against the ARO to the extent of the liability recorded. The Company has determined that it has no material AROs as at November 30, 2008 and 2007.

(h) Financial instruments and comprehensive income

All financial instruments are classified as one of the following: held-to-maturity, loans and receivables, held-for-trading, available-for-sale or other financial liabilities. Financial assets and liabilities held-for-trading are measured at fair value with gains and losses recognized in net income. Financial assets held-to-maturity, loans and receivables, and other financial liabilities are measured at amortized cost using the effective interest method. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income (loss) and reported in shareholders' equity. Any financial instrument may be designated as held-for-trading upon initial recognition.

Transaction costs that are directly attributable to the acquisition or issue of financial instruments that are classified as other than held-for-trading, which are expensed as incurred, are included in the initial carrying value of such instruments.

Comprehensive income (loss) is the overall change in the net assets of the Company for a period, other than changes attributable to transactions with shareholders. It is made up of net income (loss) and other comprehensive income (loss). Other comprehensive income (loss) consists of gains and losses affecting shareholders' equity that under GAAP are excluded from net income (loss).

The Company has no items of other comprehensive income or loss in any period presented. Therefore, net loss as presented in the Company's statements of operations equals comprehensive loss.

(i) Future accounting changes

(i) Amendments to Section 1400 – Going Concern

The Canadian Institute of Chartered Accountants' ("CICA") Section 1400, "General Standards of Financial Statement Presentation", was amended to include requirements to assess and disclose an entity's ability to continue as a going concern. When financial statements are not prepared on a going concern basis, that fact shall be disclosed together with the basis on which the financial statements are prepared and the reason why the company is not considered a going concern. The new requirements are effective for the Company for interim and annual financial statements beginning December 1, 2008. The Company is currently evaluating the impact of this new standard.

## **WPC RESOURCES INC.**

**(Formerly Northern Shields Metals Ltd.)**

**Notes to Financial Statements**

**Year Ended November 30, 2008 and Initial 232-Day Period Ended November 30, 2007**

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### **3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(i) Future accounting changes (Continued)

(ii) Goodwill and Intangible Assets

In February 2008, the CICA issued Section 3064, "Goodwill and Intangible Assets", replacing Section 3062, "Goodwill and Other Intangible Assets", and Section 3450, "Research and Development Costs". These sections establish standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. The new section is effective for years beginning on or after December 1, 2008. The Company is in the process of assessing the impact of this new section on its financial statements.

(iii) International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The effective date for the Company is for interim and annual financial statements relating to the Company's fiscal years beginning on or after December 1, 2011. The transition will require the restatement for comparative purposes of amounts reported by the Company for the year ended November 30, 2011. While the Company has begun assessing the adoption of IFRS, the financial reporting impact of the transition cannot be reasonably estimated at this time.

(iv) Business Combinations

In January 2009, the CICA issued Section 1582, "Business Combinations", Section 1601, "Consolidations", and Section 1602, "Non-Controlling Interests". These sections replace the former Section 1581, "Business Combinations", and Section 1600, "Consolidated Financial Statements", and establish a new section for accounting for a non-controlling interest in a subsidiary.

Sections 1582 and 1602 will require net assets, non-controlling interests and goodwill acquired in a business combination to be recorded at fair value and non-controlling interests will be reported as a component of equity. In addition, the definition of a business is expanded and is described as an integrated set of activities and assets that are capable of being managed to provide a return to investors or economic benefits to owners. Acquisition costs are not part of the consideration and are to be expensed when incurred. Section 1601 establishes standards for the preparation of consolidated financial statements.

## **WPC RESOURCES INC.**

**(Formerly Northern Shields Metals Ltd.)**

**Notes to Financial Statements**

**Year Ended November 30, 2008 and Initial 232-Day Period Ended November 30, 2007**

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### **3. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(i) Future accounting changes (Continued)

(iv) Business Combinations (Continued)

These new sections apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after December 1, 2011. Earlier adoption of these sections is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. The Company is currently evaluating the impact of the adoption of these sections.

(v) Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the Emerging Issues Committee ("EIC") of the CICA issued EIC-173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities", which clarifies that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and liabilities, including derivative instruments. EIC-173 is to be applied retrospectively without restatement of prior periods in interim and annual financial statements for periods ending on or after the date of issuance of EIC-173. The Company will adopt this recommendation in its fair value determinations for the fiscal year ended November 30, 2009 and is currently assessing the impact of this change on its financial statements.

(vi) Mining Exploration Costs

In March 2009, the EIC issued EIC-174, "Mining Exploration Costs", which provides guidance on capitalization of exploration costs related to mining properties. It also provides guidance for development and exploration stage entities that cannot estimate future cash flows from its properties in assessing whether impairment in such properties is required. This EIC also provides additional discussion on recognition for long-lived assets. EIC-174 is to be applied retrospectively without restatement of prior periods in interim and annual financial statements for periods ending on or after the date of issuance of EIC-174. The Company will adopt this recommendation for its fiscal year ended November 30, 2009 and is currently assessing the impact of this change on its financial statements.

### **4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**

The Company classifies its cash and cash equivalents as held-for-trading, and accounts payable and accrued liabilities as other financial liabilities.

(a) Fair value

The carrying values of cash and cash equivalents, and accounts payable and accrued liabilities approximate their fair values due to the short-term maturity of these financial instruments.

## WPC RESOURCES INC.

(Formerly Northern Shields Metals Ltd.)

Notes to Financial Statements

Year Ended November 30, 2008 and Initial 232-Day Period Ended November 30, 2007

### 4. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

(b) Credit risk

The Company's financial assets that are exposed to credit risk consist primarily of cash and cash equivalents. Cash and cash equivalents are placed with a major Canadian financial institution.

Concentration of credit risk exists with respect to the Company's cash and cash equivalents as all amounts are held at a single major Canadian financial institution. The maximum exposure is as follows:

	2008	2007
Cash and cash equivalents	\$ 507,798	\$ 624,427

(c) Interest rate risk

The Company is not exposed to significant interest rate risk as its cash equivalents are due within 12 months. A 1% change in interest rates would affect net income by \$4,919.

(d) Cash equivalents

Cash equivalents include a term deposit of \$491,920, due to mature on December 18, 2008, which have average effective yields of approximately 4.15%.

(e) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet commitments. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows required for operations and anticipated investing and financing activities. The Company's cash and cash equivalents at November 30, 2008 totalled \$507,798 (2007 - \$624,427). At November 30, 2008, the Company had accounts payable and accrued liabilities of \$20,000 (2007 - \$10,000) that have contractual maturities of 30 days and are subject to normal trade terms.

In fiscal 2009, the Company's expenditure requirements to keep the resource property interests in good standing will include \$12,000 for the Quest Lake Property.

## **WPC RESOURCES INC.**

**(Formerly Northern Shields Metals Ltd.)**

**Notes to Financial Statements**

**Year Ended November 30, 2008 and Initial 232-Day Period Ended November 30, 2007**

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### **5. CAPITAL MANAGEMENT**

The Company defines its capital as shareholders' equity. Capital requirements are driven by the Company's exploration activities on its mineral properties. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals. The Company monitors actual expenses to budget on all exploration projects and overhead to manage costs, commitments and exploration activities.

The Company's primary source of funds comes from the issuance of capital stock. Although the Company has been successful at raising funds in the past through the issuance of capital stock, it is uncertain whether it will continue this financing due to uncertain economic conditions. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations. The Company is not subject to any externally imposed capital requirements.

There have been no changes to the Company's approach to capital management during the year.

### **6. RESOURCE PROPERTY INTEREST**

#### *Quest Lake Property*

The Quest Lake Property consists of 16 contiguous mineral claims and is located in the Northwest Territories.

On June 29, 2007, the Company signed a letter of understanding to acquire a 100% interest in the Quest Lake Property in exchange for 800,000 common shares of the Company valued at \$80,000. The value is based on a price of \$0.10 per share, which was the price of shares issued by the Company around that time and also approximates the carrying value of the property at the time the agreement was signed (note 11). The vendors retain a 2% net smelter royalty, of which the Company may purchase half for \$1,000,000. At November 30, 2008, the 800,000 common shares had not been issued and are reflected as "obligation to issue shares". One of the vendors is a director of the company.

#### *Realization of assets*

The investment in and expenditures on resource properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

**WPC RESOURCES INC.**  
**(Formerly Northern Shields Metals Ltd.)**  
**Notes to Financial Statements**  
**Year Ended November 30, 2008 and Initial 232-Day Period Ended November 30, 2007**

**6. RESOURCE PROPERTY INTEREST (Continued)**

*Title to resource property interests*

Although the Company has taken steps to verify the title to resource properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

*Environmental*

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

**7. CAPITAL STOCK**

(a) Authorized

100,000,000 common shares without par value

(b) Issued

	Shares	Amount
For cash	2	\$ 2
Balance, November 30, 2007 and 2008	2	\$ 2

During the year ended November 30, 2008:

- (i) The Company received funds in exchange for an obligation to issue 400,000 common shares as part of a private placement at \$0.10 per common share for proceeds of \$40,000.
- (ii) The Company refunded share subscriptions for 270,000 common shares previously received for a total of \$27,000.

**WPC RESOURCES INC.****(Formerly Northern Shields Metals Ltd.)****Notes to Financial Statements****Year Ended November 30, 2008 and Initial 232-Day Period Ended November 30, 2007****7. CAPITAL STOCK (Continued)****(b) Issued (Continued)**

During the initial 232-day period ended November 30, 2007:

- (iii) The Company received subscriptions of \$40,002 in exchange for an obligation to issue 4,000,202 common shares pursuant to a private placement at \$0.01 per common share.
- (iv) The Company received subscriptions of \$70,002 in exchange for an obligation to issue 1,400,040 common shares pursuant to a private placement at \$0.05 per common share.
- (v) The Company received subscriptions of \$542,000 in exchange for an obligation to issue 5,420,000 common shares pursuant to a private placement at \$0.10 per common share

**8. INCOME TAXES**

The reconciliation of income tax provision computed at statutory rates to the reported income tax provision is as follows:

	<b>2008</b>	<b>2007</b>
Income tax liability computed at Canadian statutory rates		
Loss before future income tax	\$ (6,481)	\$ (3,772)
Other timing differences	(10,776)	(1,463)
Effect of change in tax rate	(2,198)	0
Increase in valuation allowance	19,455	5,235
Income tax expense (recovery)	\$ 0	\$ 0

The Company has non-capital losses carried forward of \$31,761 available to reduce future years' income for income tax purposes. These losses expire as follows:

2027	\$ 11,055
2028	20,706
	\$ 31,761

**WPC RESOURCES INC.**  
**(Formerly Northern Shields Metals Ltd.)**  
**Notes to Financial Statements**  
**Year Ended November 30, 2008 and Initial 232-Day Period Ended November 30, 2007**

**8. INCOME TAXES (Continued)**

The components of the future income tax assets are as follows:

	2008	2007
Future income tax assets		
Non-capital loss carry-forwards	\$ 31,761	\$ 11,055
Tax rate	26.00%	34.12%
	8,258	3,772
Non-refundable mining tax credit	11,891	1,463
Valuation allowance	(20,149)	(5,235)
	\$ 0	\$ 0

The valuation allowance reflects the Company's estimate that the tax assets more likely than not will not be realized.

**9. RELATED PARTY TRANSACTIONS**

The aggregate amount of expenditures made to related parties not at arm's length to the Company include:

- (a) Accounting fees of \$9,000 (2007 - \$nil) paid to a Company with common directors and management.
- (b) Office expenses of \$9,000 (2007 - \$nil) paid to a Company with common directors and management.
- (c) Rent of \$9,000 (2007 - \$nil) paid to a Company with common directors and management.

The Company shares office space with a related company and, as of March 2008, pays \$3,000 on a month-to-month basis for shared office and administrative costs. The monthly fee is split evenly between accounting fees, office expenses and rent as noted above.

These transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the related parties.

**10. SUBSEQUENT EVENTS**

Subsequent to the year-end:

- (a) 300,000 shares were refunded for the issue price of \$30,000.
- (b) The Company loaned \$200,000 to Cuprus Mining Corporation. The loan carries interest at 4% per month, is due June 30, 2009 and is secured by an assignment of two options to acquire mineral properties. The Company is also entitled to a bonus of fifty ounces of gold or gold certificate by August 31, 2009.

**WPC RESOURCES INC.****(Formerly Northern Shields Metals Ltd.)****Notes to Financial Statements****Year Ended November 30, 2008 and Initial 232-Day Period Ended November 30, 2007****11. RESTATEMENT**

The value of the 800,000 common shares to be issued in relation to the Quest Lake property has been restated to \$0.10 per share from \$0.20 per share, as initially recorded (note 6). The restatement results in a reduction of \$80,000 to both the carrying values of resource property interest and obligation to issue shares. Previously recorded amounts along with restated figures are presented below:

	<b>2008</b>		<b>2007</b>	
	Previously Recorded	Restated Amounts	Previously Recorded	Restated Amounts
Resource property interest	\$ 300,205	\$ 220,205	\$ 185,908	\$ 105,908
Obligation to issue shares	\$ 825,004	\$ 745,004	\$ 812,004	\$ 732,004

**WPC RESOURCES INC.**  
**(An Exploration Stage Company)**  
**Schedule of Resource Property Interest**

	Quest Lake Property	Total
Balance, November 30, 2007	\$ 105,908	\$ 105,908
Property acquisition costs		
Staking and recording	11,818	11,818
Property exploration costs		
Assaying	1,802	1,802
Consulting	18,000	18,000
Geophysics	79,705	79,705
Helicopter	2,041	2,041
Site personnel	350	350
Travel	581	581
Total costs for year	114,297	114,297
Balance, November 30, 2008	\$ 220,205	\$ 220,205
Property acquisition costs		
Issuance of shares	\$ 80,000	\$ 80,000
Staking and recording	11,280	11,280
Property exploration costs		
Camp and supplies	600	600
Consulting	1,208	1,208
Geological	5,000	5,000
Site personnel	6,000	6,000
Travel	1,820	1,820
Total costs for period	105,908	105,908
Balance, November 30, 2007	\$ 105,908	\$ 105,908