

**CONSOLIDATED
FINANCIAL STATEMENTS
OF
THE O.T. MINING CORPORATION
(A Development Stage Company)
March 31, 2012**

THE O.T. MINING CORPORATION
(A Development Stage Company)

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AT March 31, 2012

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To The Board of Directors and Shareholders
of The O.T. Mining Corporation (a development stage company)

I have audited the accompanying consolidated balance sheet of The O.T. Mining Corporation (a development stage company) as of March 31, 2012 and June 30, 2011 including the related consolidated statement of loss and deficit and cash balances for the nine months ended March 31, 2012 as well as the years ended June 30, 2011 and 2010. These consolidated financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The O.T. Mining Corporation (a development stage company) as of March 31, 2012 and the years ended June 30, 2011 and 2010, and the results of its consolidated operations, and its cash balances for the nine months ended March 31, 2012 and the years ended June 30, 2011 and 2010 in conformity with generally accepted accounting principles.

The accompanying consolidated financial statements have been prepared assuming that The O.T. Mining Corporation (a development stage company) will continue as a going concern. As more fully described in Note 2, the Company has incurred operating losses since inception and requires additional capital to continue operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans as to these matters are described in Note 2. The consolidated financial statements do not include any adjustments to reflect the possible effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result from the possible inability of The O.T. Mining Corporation (a development stage company) to continue as a going concern.

Stephen Cleaver, CA

June 18, 2012
Etobicoke, Ontario

THE O.T. MINING CORPORATION
(A Development Stage Company)
CONSOLIDATED BALANCE SHEET

| | As At | <u>Mar. 31, 2012</u> | <u>June 30, 2011</u> |
|---|-------|----------------------|----------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash | | \$ 8,884 | \$ 7,569 |
| Interest and Other Receivable | | <u>-0-</u> | <u>-0-</u> |
| Total Current Assets | | 8,884 | 7,569 |
| Mineral Properties and Mineral Claims (Note 3a & b) | | 502,565 | 502,565 |
| Deferred Expenditures for Mineral properties (Note 3c) | | 7,695,671 | 7,591,557 |
| Equity Investment - Mineral Properties (Note 4) | | <u>593,803</u> | <u>593,803</u> |
| Total Assets | | <u>\$ 8,800,923</u> | <u>\$ 8,695,494</u> |
| LIABILITIES & SHAREHOLDERS' EQUITY | | | |
| Current Liabilities | | | |
| Accounts Payable | | \$ 215,517 | \$ 153,927 |
| Loans Payable – Officers & Directors (Note 11) | | <u>-</u> | <u>-</u> |
| Total Current Liabilities | | <u>215,517</u> | <u>153,927</u> |
| Deferred Compensation Payable (Note 5 & 15) | | <u>75,000</u> | <u>30,000</u> |
| Capital Stock | | | |
| Preferred stock 5,000,000 authorized \$.01 par value. | | | |
| The number of shares outstanding at March 31, 2012 and June 30, 2011 is -0- and -0- respectively. | | | |
| Capital stock authorized 200,000,000 common shares no par value. | | | |
| At March 31, 2012 and June 30, 2011 the number of shares outstanding were 16,997,751 and 16,031,892 respectively. | | | |
| | | 20,024,183 | 19,686,133 |
| Deficit accumulated during the development stage | | <u>(11,513,777)</u> | <u>(11,174,566)</u> |
| Total Shareholders' Equity | | <u>8,510,406</u> | <u>8,511,567</u> |
| Total Liabilities and Shareholders' Equity | | <u>\$ 8,800,923</u> | <u>\$ 8,695,494</u> |

On behalf of the Board:

Director

Director

The accompanying notes form an integral part of these financial statements.

THE O.T. MINING CORPORATION
(A Development Stage Company)
CONSOLIDATED STATEMENT OF LOSS AND DEFICIT

| | <u>Nine months ended</u> <u>March 31, 2012</u> | <u>For the Year</u> <u>June 30, 2011</u> | <u>For the Year</u> <u>June 30, 2010</u> |
|--|---|---|---|
| Other Income | | | |
| Interest | \$ -0- | \$ -0- | \$ -0- |
| Gain on Sale of JV Properties | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> |
| | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> |
| Expenses | | | |
| Bank Charges & Interest | 104 | 551 | 413 |
| Commissions | -0- | -0- | -0- |
| Corporate Services | 46,547 | 20,827 | 10,755 |
| Directors And Officers Fees | 45,000 | 60,000 | 60,000 |
| Marketing & Shareholder Info. | 45,734 | 35,693 | 465 |
| Management Fee (Note 5c) | -0- | -0- | -0- |
| Office, Rent & Facilities | 118,764 | 152,804 | 155,643 |
| Professional Fees | 81,157 | 99,807 | 55,247 |
| Travel & Project Development | <u>1,905</u> | <u>500</u> | <u>3,098</u> |
| Total Expenses | <u>339,211</u> | <u>370,182</u> | <u>285,622</u> |
| Net Operating Loss for the Period | 339,211 | 370,182 | 285,622 |
| Net Loss Namex Explorations Inc. | <u>-0-</u> | <u>735,247</u> | <u>10,600</u> |
| Loss for the Period | 339,211 | 1,105,429 | 296,222 |
| Deficit, beginning of Period | <u>11,174,566</u> | <u>10,069,137</u> | <u>9,772,915</u> |
| Deficit, end of Period | <u>\$ 11,513,777</u> | <u>\$ 11,174,566</u> | <u>\$ 10,069,137</u> |
| Earnings Per Share | | | |
| Loss Per Share | <u>(0.0200)</u> | <u>(0.0689)</u> | <u>(0.0219)</u> |
| Weighted average number of outstanding shares | <u>16,997,751</u> | <u>16,031,892</u> | <u>13,475,142</u> |
| Fully Diluted Loss Per Share | <u>(0.0183)</u> | <u>(0.0633)</u> | <u>(0.0197)</u> |
| Number of Fully Diluted Outstanding Shares | <u>18,548,908</u> | <u>17,448,049</u> | <u>15,029,066</u> |

The accompanying notes form an integral part of these financial statements.

THE O.T. MINING CORPORATION
(A Development Stage Company)
CONSOLIDATED STATEMENT OF CASH BALANCES
For the

| | <u>Nine months ended</u> <u>March 31, 2012</u> | <u>Year ended</u> <u>June 30, 2011</u> | <u>Year ended</u> <u>June 30, 2010</u> |
|--|---|---|---|
| CASH FROM OPERATING ACTIVITIES | | | |
| Net Loss | \$ (339,211) | \$ (1,105,429) | \$ (296,222) |
| Adjustments to reconcile Net Income to Cash generated by operating activities: | | | |
| Net Loss Namex Explorations Inc. | -0- | 735,247 | 10,600 |
| Common Stock Issued for: | | | |
| - Outstanding Liabilities - Note 11 | -0- | -0- | 425,000 |
| - Deferred Compensation - Note 15 | -0- | 1,590,000 | -0- |
| - Services Rendered | <u>101,301</u> | <u>77,263</u> | <u>-0-</u> |
| | <u>(237,910)</u> | <u>1,297,081</u> | <u>139,378</u> |
| Net Changes in Assets and Liabilities | | | |
| Increase in Deferred Mining Expenses | (104,114) | (133,989) | (140,870) |
| Increases (Decrease) in Accounts Payable | 61,589 | 9,756 | 61,584 |
| Increase (Decrease) in Deferred Compensation | 45,000 | (1,530,000) | 60,000 |
| Decrease in loan payable | <u>-0-</u> | <u>-0-</u> | <u>(425,000)</u> |
| Net Cash from Operating Activities | <u>\$ (235,435)</u> | <u>\$ (357,152)</u> | <u>\$ (304,908)</u> |
| CASH FROM INVESTING ACTIVITIES | | | |
| Net Cash from Investing Activities | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> |
| CASH FROM FINANCING ACTIVITIES | | | |
| Issuance (Redemption) of Common Shares | <u>236,750</u> | <u>363,160</u> | <u>303,100</u> |
| Net Cash from Financing Activities | <u>236,750</u> | <u>363,160</u> | <u>303,100</u> |
| NET INCREASE (DECREASE) IN CASH | 1,315 | 6,008 | (1,808) |
| CASH AT BEGINNING OF PERIOD | <u>7,569</u> | <u>1,561</u> | <u>3,369</u> |
| CASH AT END OF PERIOD | <u>\$ 8,884</u> | <u>\$ 7,569</u> | <u>\$ 1,561</u> |

The accompanying notes form an integral part of these financial statements.

THE O.T. MINING CORPORATION
(A Development Stage Company)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2012

Note 1. Basis of Financial Statement Presentation

These financial statements reflect the consolidated results of operations of The O. T. Mining Corporation and its wholly owned subsidiary Working Interest Corporation.

Note 2. Summary of Significant Accounting Policies

a. Basis of Financial Statement Presentation

Amounts stated in these financial statements are denominated in United States dollars.

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company incurred net losses of \$11,513,777 for the period from inception September 15, 1980 to March 31, 2012. These incurred losses raise substantial doubt about the company's ability to continue as a going concern. The Company's continuation as a going concern is wholly dependent upon its ability to obtain adequate financing. The Company will require substantial additional funds to finance its ongoing exploration and development activities, on an ongoing basis, and will have a continuing long-term need to obtain additional financing. The Company's future capital requirements and the ability to continue as a going concern is dependent upon its ability to raise capital, achieve profitable operations from its mining activities, and a satisfactory regulatory environment governing the development and operation of mining properties in the State of Montana.

b. Mineral Property, Equipment and Deferred Costs

The Company follows the full cost method of accounting for mineral properties and mineral claims. Accordingly, all costs associated with acquisition, exploration, and development of mineral reserves, including directly related overhead costs, is capitalized.

All capitalized costs of mineral properties including the estimated future costs to develop proved reserves, will be amortized on the unit-of-production method using estimates of proved reserves. Investments in unproved properties and major development projects are not amortized until proven reserves associated with the projects can be determined or until impairment occurs. If the results of an assessment indicate that the properties are impaired, the amount of the impairment is expensed in the year of determination.

Sales of proved and unproved properties are accounted for as adjustments of capitalized costs with no gain or loss recognized, unless such adjustments would significantly alter the relationship between capitalized costs and proved reserves of minerals, in which case the gain or loss is recognized in income. All sales or abandonment or impairments of properties are recorded in the Statement of Operations, with resulting gain or loss recognized. Write-downs will be recorded when the carrying value is not supportable.

c. Pervasiveness of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, 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 O.T. MINING CORPORATION
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SUPPLEMENTARY FINANCIAL INFORMATION
March 31, 2012

Note 2. Summary of Significant Accounting Policies, Cont'd.

the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

d. Revenue Recognition

Revenue is recognized upon sale of extracted minerals.

Net profits means the gross revenues realized from the sale of all minerals mined or otherwise produced from commercial production from the mineral property less amortization of capitalized costs and the costs and expenses of commercial production. Commercial production means the extraction, processing, milling and marketing of any minerals from the mineral properties. In addition to these expenses, Net Profits will also be adjusted for any carry forward losses from operations from previous years.

e. Foreign Currency Translation

As at March 31, 2012 and June 30, 2011 all assets, liabilities, issuance of stock and income statement items were realized in U.S. dollars. Expenditures and capitalized costs, when incurred in Canadian dollars are translated at U.S. dollar equivalent at the rate prevailing at the end of each period.

f. Equity Interest – Mineral Properties

The company uses the equity method to account for its interest in Namex Exploration Inc. See Note 4.

g. Comparative Figures

Certain of the 2011 and 2010 amounts presented for comparative purposes have been reclassified to conform with the presentation adopted in the current year including adjustments per Note 5(e).

Note 3. Mining Properties and Mineral Claims

a. Ruby Mines Property and Mineral Claims

By agreement dated July 28, 1980, Ruby Resources, Ltd., acquired from Fargo Energy Corporation, a related party, five patented and thirty-one unpatented mining claims consisting of approximately 614 acres, located in the Lowland Mining District of Jefferson County, Montana, USA. These claims were acquired with an encumbrance attached thereto, since discharged by payment of \$66,000. On August 13, 1980, Ruby Resources, Ltd., the parent company, granted a deed to such realty and mineral claims to O.T. Mining Corp. (formerly Ruby Resources of Montana, Inc.) in return for 50,000 shares of the company common stock valued at \$102,565. Such shares are presently 400,000 since the company split its stock at eight shares for each one owned on June 1, 1987.

b. Mill and Land Property

On March 23, 1988, the Company acquired for \$300,000 in Basin, Jefferson County, Montana, a mill with property of about 27 acres, including a laboratory building and equipment out of bankruptcy proceedings of Medallion Mineral, Inc., an unrelated corporation.

THE O.T. MINING CORPORATION
(A Development Stage Company)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2012

Note 3. Mining Properties and Mineral Claims, Cont.

c. Deferred Expenditures for Mineral Properties

At March 31, 2012, the Company has incurred cumulative deferred expenditures of \$7,695,671 to maintain and develop the claims to these properties.

Cumulative Totals For the Period Ended

| <u>Exploration & Development Costs</u> | <u>March 31, 2012</u> | <u>June 30, 2011</u> | <u>June 30, 2010</u> |
|--|-----------------------|----------------------|----------------------|
| Assessment & Reports | \$ 413,733 | \$ 412,558 | \$ 407,790 |
| Claims Staked and Mapped | 90,005 | 90,005 | 90,005 |
| Drilling | 952,516 | 952,516 | 946,109 |
| Encumbrance Discharge | 66,000 | 66,000 | 66,000 |
| Engineering | 28,376 | 28,376 | 28,376 |
| Insurance | 135,798 | 135,798 | 135,798 |
| Geological | 1,895,127 | 1,893,127 | 1,878,127 |
| Geophysics & Surveys | 1,446,061 | 1,446,061 | 1,446,060 |
| Meals & Lodging | 150,799 | 150,799 | 150,799 |
| Mill Security, Property Administration & Upgrade | 1,607,912 | 1,604,912 | 1,598,412 |
| Miscellaneous | 7,117 | 7,117 | 7,117 |
| Property Taxes & Permits | 141,159 | 138,560 | 132,586 |
| Travel | 49,577 | 49,577 | 49,577 |
| Federal Claims Taxes | <u>711,491</u> | <u>616,151</u> | <u>520,811</u> |
| Total | <u>\$ 7,695,671</u> | <u>\$ 7,591,557</u> | <u>\$ 7,457,568</u> |

During the period July 1 to June 30, 2006 the company staked 383 claims over approximately 11 square miles.

At March 31, 2012, the Company held thirteen patented and 681 unpatented claims for approximately 21.3 square miles.

Note 4. Equity Investment – Mineral Properties

On November 19, 1997 the company exchanged all of its assets held as Joint Venture Mineral Properties for 2,174,816 common shares of NAMEX Explorations Inc. (NAMEX), formerly New Goldcore Ventures Ltd. The company recorded a gain on the transaction of \$ 195,607.

At March 31, 2012, the company owns 474,262 common shares of Namex due to a one for ten split. The company has one officer who is a director of Namex.

Namex recorded a loss of \$67,547 for the nine months ended March 31, 2011, a loss of \$3,949,713 for the three months ended September 30, 2010 and a loss of \$571,795 for the three months ended September 30, 2009. Namex is currently being restructured. The full restructuring is anticipated to be completed by June 2012 at which time all regulatory filings are expected to be up to date. Namex management intends to acquire new properties in order to revive and continue its exploration activities as soon as funding is available. The assets of the company at March 31, 2011 were \$23,793. The company has neither guaranteed nor is contingently liable for any debts of NAMEX.

THE O.T. MINING CORPORATION
(A Development Stage Company)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2012

Note 5. Related Party Transactions

a. Obligations to Affiliated Parties

As per an agreement dated September 1, 1987, the Company agreed to grant Somerville House a 3% net smelter interest from mining operations on claims comprising the Ruby Mine in return for expenditures of \$149,857 incurred by the grantor on research, evaluation, reporting, and administration of the Company's interest in the property. On April 6, 2001 the parties mutually agreed that the 3% net smelter interest shall be 3% of gross revenues.

b. Issuance of Stock

All related parties hold the following interest in the Company's outstanding common stock:

| | <u>Total Shares at</u> <u>March 31, 2012</u> | <u>Percentage</u> | <u>Total Shares at</u> <u>June 30, 2011</u> | <u>Percentage</u> |
|------------------------|---|-------------------|--|-------------------|
| Officers and Directors | 4,893,228 | 28.79% | 4,893,228 | 30.52% |
| Somerville House | 150, 827 | 0.89% | 150, 827 | 0.94% |

c. Managerial and Financial Control

Rosemary L. Christensen is the President and Secretary of the Company and is the President of Somerville House Management Ltd.

From time to time Somerville House Management Ltd. discharges current liabilities on behalf of the corporation. The company periodically discharges its liability by issuing common stock valued at the lower of market (National Quotation Bureau) or the company restricted stock price. During the year ending June 30, 2001, the company issued 61,836 shares of restricted stock valued at \$46,377 to discharge this liability. The outstanding balance of \$ nil (June 30, 2003 \$10,300) is included in the accounts payable balance.

On June 10, 1999 the Board of Directors issued 250,000 restricted common shares valued at \$.50 per share to Somerville House Management Ltd. in recognition for the strategic direction and daily operation provided to the company from its inception.

d. Due from Directors

During the year 1999 Directors agreed to make available to the corporation \$75,000 in exchange for 150,000 restricted common shares. Subsequent to the year-end the \$40,000 due from Directors was received.

THE O.T. MINING CORPORATION
(A Development Stage Company)
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March 31, 2012

Note 5. Related Party Transactions, Cont'd.

e. Deferred Compensation Payable

Certain officers of the Company were to be compensated on a deferred basis. Provision has been made in these financial statements for past compensation payable in the future. One officer for the past ten years and another officer for eight years. The deferred compensation has resulted in charges to operations of \$45,000 for the nine months ended March 31, 2012, and \$60,000 for the year ended June 30, 2010, and \$135,000 for the years ended June 30, 2008, 2007, 2006, 2005, 2004, 2003, 2002, 2001 and 2000 and \$75,000 per annum for the years ended June 30, 1999, and June 30, 1998. The financial statements have been adjusted to reflect the expenditure provision in the years affected in the same amount as charged above. The obligation was converted into common shares during the period as described in Note 15.

f. Leased Office Space

The Company occupies fully equipped office space and receives complete secretarial services, on a month to month basis, at the offices of Somerville House Management, Ltd., 310 Victoria Avenue, Suite 103, Montreal, Quebec H3Z 2M9 for \$12,800 per month.

Note 6. Stock Option Plans

On August 3, 1992, the Company approved the granting of options to Mr. James Hess to purchase 250,000 shares of common stock at a price of \$1.50 for a term of 5 years. On February 6, 1996, the Company approved extending the term of the stock option for an additional five years. On April 6, 2001, the Company approved extending the term of the stock option for an additional five years with the option date expiring July 31, 2007. On March 5, 2007, the company approved extending the term of the stock option for an additional five years with the option date expiring July 31, 2012. Subsequent to March 31, 2011, with the passing of Mr. James Hess, the officers and directors of the corporation resolved to acknowledge the options available to Mr. Hess are now granted to Rosemary Christensen. No options have been exercised as of March 31, 2012. On February 7, 2012, the company approved further extending the terms of the stock option for five years to July 31, 2017.

On June 10, 1999, the Company approved the granting of options to Somerville House Management Ltd. and Ms. Rosemary Christensen to purchase 506,157 and 50,000 shares of common stock respectively at a price of \$.50 for a term of 10 years. Subsequently the company approved and extended the option period to June 10, 2014. No options have been exercised as of March 30, 2012.

On December 10, 1999, the Company approved the granting of options to Somerville House Management Ltd. to purchase 100,000 shares of common stock at a price of \$.50 for a term of 15 years. No options have been exercised as of March 30, 2012.

On May 1, 2001, the Company approved the granting of options to Somerville House Management Ltd. and Ms. Rosemary Christensen to purchase 33,000 and 27,000 shares of the common stock respectively at a price of \$0.75 for a term of ten years. No options have been exercised as of March 30, 2012. As of June 30, 2011, the options have been extended for another five years expiring April 30, 2016.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2012

Note 6. Stock Option Plans, Cont'd

On May 1, 2001, the Company approved the granting of options to certain officers and employees to purchase 125,000 shares of common stock at a price of \$1.50 for a term of ten years. No options have been exercised as of March 30, 2012. As of June 30, 2011, the options have been extended for another five years expiring April 30, 2016.

On July 31, 2003, the company approved the granting of options to certain directors to purchase 100,000 shares of common stock at a price of \$1.50 for a term of 10 years. No options have been exercised as of March 30, 2012.

On March 5, 2007, the company approved the granting of options to certain officers and employees to purchase 80,000 shares of common stock at a price of \$2.20 for a term of 5 years. No options have been exercised as of March 31, 2012. As of February 7, 2012, the options have been extended for another five years expiring March 5, 2017.

On March 2, 2008, The Company approved the granting of options to certain officers and employees to purchase 180,000 shares of common stock at a price of \$1.00 per share for a term of 5 years expiring in March 2013. No options have been exercised as of March 30, 2012.

On March 18, 2011 the company approved the granting of an option to an officer and director to purchase 250,000 shares of common stock at a price of \$0.36 for a term of 10 years expiring March 2021. The option has not been exercised as of March 30, 2012. As of March 26, 2012, the company converted the option of 250,000 shares of common stock to 100,000.

Note 7. Preferred Stock

The Company is authorized to issue 5,000,000 shares of preferred stock at \$0.01 par value. The Board of Directors of the Company has the authority, without further action by the holders of the outstanding shares of common stock, to issue shares of preferred stock from time to time in one or more classes or series, and may have such voting powers, full or limited as fixed by the capital Board of Directors, who shall fix the terms of any such series or class, including dividend rights, dividend rates, conversion, exchange, voting rights, and terms of redemption, the redemption price and the liquidation preference of such class or series. At March 31, 2012, there were no shares of preferred stock outstanding.

Note 8. Income Taxes

The Company provides for the tax effects of the transactions reported in the financial statements. The provision, if any, consists of taxes currently due plus deferred taxes related primarily to differences between the basis of assets and liabilities, if any, represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. As of March 31, 2012, the Company had no material current tax liability, deferred tax assets, or liabilities to impact on the Company's financial position because the deferred tax asset related to the Company's net operating loss carry forward was fully offset by a valuation allowance.

THE O.T. MINING CORPORATION
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Note 8. Income Taxes

At March 31, 2012 and June 30, 2011 the Company has net operating loss carry forwards for income tax purposes of \$8,569,034 and \$8,202,223 respectively. This carry forward is available to offset future taxable income, if any, and expires in the year 2015. The Company's utilization of this carry forward against future taxable income may become subject to an annual limitation in the event that there is a cumulative change in ownership of the Company of more than 50%.

The components of the net deferred tax asset as of March 31, 2012 and June 30, 2011 are as follows:

| | | |
|------------------------|-----------------------|----------------------|
| Deferred tax asset: | | |
| Net operating loss | <u>March 31, 2012</u> | <u>June 30, 2011</u> |
| Carry-forward | \$ 4,270,717 | \$ 4,101,112 |
| Valuation allowance | <u>(4,270,717)</u> | <u>(4,101,112)</u> |
| Net deferred tax asset | <u>\$ -0-</u> | <u>\$ -0-</u> |

The company recognized no income tax benefit from the loss generated in the period ended March 31, 2012. SFAS No. 109 requires that a valuation allowance be provided if it is more likely than not that some portion or all of a deferred tax asset will not be realized. The Company's ability to realize benefit of its deferred tax asset will depend on the generation of future taxable income. Because the Company has yet to recognize significant revenue from the sale of its products, the Company believes that at both March 31, 2012 and June 30, 2011 a full valuation allowance should be provided.

Note 9. Environmental Obligations

The Company's mining and exploration activities are subject to various federal and state laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company conducts its operations so as to protect the public health and environment and believes its operations are in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations. The Company cannot predict such future expenditures

Note 10. Leases

The Company has no long-term leases.

Note 11. Loans Payable – Officers & Directors

Certain Directors and Officers provided loans in the amounts of \$225,000 and \$200,000 respectively to fund current operations. The loans had no specific repayment terms, the loans became interest bearing commencing October 1, 2009 at an annualized rate of 7%. The loans had the right to be converted into common shares at an average market price over the preceding six months. Subsequent to January 1, 2010 the loans were converted into common shares at the average market price over the preceding six months which averaged \$0.35 per share or 1,214,290 common shares in conversion of the loans.

THE O.T. MINING CORPORATION
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Note 12. Development Stage Company

The Company is a development stage company with little operating history. The Company will be dependent upon its ability to raise additional capital to engage in any business activity. Since its organization, the Company's activities have been limited to the sale of common stock in connection with its organization, the acquisition of the mineral properties, the preparation of a marketing plan, limited pilot test production, test drillings and samplings and completion of geological exploration.

Note 13. Pending Legal Proceedings

The Company is not a party to any litigation, and to the best of its knowledge no such actions against the Company have been taken or threatened.

Note 14. Financial Instruments

The Company's financial instruments consist of cash, advances to subsidiary and accounts payable. As described in Note 2, due to the lack of liquidity of the subsidiary's investments there exists uncertainty as the subsidiary's ability to discharge its liability to the company. Except for any adjustment required to the carrying value of the advances to subsidiary, management is of the opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

Note 15. Deferred Compensation

As per an agreement dated December 31, 2010, the company offered common shares at a value of \$1.25 per share in exchange for the deferred compensation owing and accrued to date. A total of 1,272,000 shares were traded in exchange for compensation owing in the amount of \$1,590,000 at December 31, 2010. At January 1, 2011, deferred compensation will continue to accrue normally as per the agreement noted in Note 5e.

THE O.T. MINING CORPORATION
(A Development Stage Company)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2012

Organization of Company and Issuance of Common Stock

a. Company History

The O.T. Mining Corporation (the Company) was formed under the laws of the State of Montana on September 15, 1980 under the name of Ruby Resources of Montana Inc. with an initial capitalization of 50,000 shares of common stock without par value. On May 4, 1987, the company amended its certificate of incorporation changing the company's name to The O.T. Mining Corporation. On October 23, 2009 the company was authorized to amend the total number of shares of capital stock which the company is authorized to issue to 205,000,000 shares of stock of which 200,000,000 shares are common stock no par value and 5,000,000 shares of preferred stock, \$.01 par value.

The Company is devoting substantially all of its efforts to explore and establish new economic ore bodies. Revenues from operations have not commenced. At present, the Company is in the development stage and there is no assurance that any of its prospects or properties contains a commercially viable ore body.

b. Issuance of Common Stock

On September 16, 1980, the Company issued 50,000 shares of common stock to Ruby Resources, Ltd., its parent company, in exchange for certain patented and unpatented claims in Jefferson County, Montana, with an accumulated cost of \$ 102,565.

On June 1, 1987, the Company approved a stock split of 8 shares of common stock for each share outstanding. The outstanding 50,000 common stock shares were converted to 400,000 common stock shares, and distributed to shareholders as a shareholder liquidating dividend of a wholly owned subsidiary.

On June 2, 1987, the Company entered into a joint venture agreement with the My Turn Syndicate ("My Turn"), a syndicate established in the Province of Quebec, Canada. In exchange for the issuance of 1,700,000 shares of the Company's common stock, valued at \$.50 per share for a total consideration valued at \$850,000, the Company obtained a 25% working interest in mineral claims held by My Turn Syndicate in the Province of Quebec, Canada. My Turn Syndicates managed by Somerville House Management Ltd. ("Somerville"). This agreement turned control for the Company's operations over to Somerville.

On September 28, 1987, the Company issued 20,000 shares of common stock to International Domesticated Furs, Ltd. (IDF), a related company (formerly known as Ruby Resources, Ltd.), in settlement of \$242,795 (U.S. Funds) owed to IDF.

On December 2, 1987, the Company issued 200,000 shares of common stock to Dominique B.T. Lightbourne of Grand Bahama, Bahamas in consideration of \$500,000.

On September 23, 1988, the Company issued 1,000 shares of common stock to Daniel Legros in payment of professional fees of \$1,000 and 3,000 shares of common stock to Willis M. Johns in consideration of professional fees of \$ 3,000.

THE O.T. MINING CORPORATION
(A Development Stage Company)
SUPPLEMENTARY FINANCIAL INFORMATION
March 31, 2012

Organization of Company and Issuance of Common Stock, Cont.

On June 30, 1989, the Company issued 10,000 shares of common stock to F.J. Donald Bilodeau, 10,000 shares of common stock to Thomas H. Fitzgerald Jr., 10,000 shares to Rosemary L. Christensen; 10,000 shares of common stock to J.R.O. Walli in consideration for Directors fees and 10,000 shares of common stock to Somerville House. Total valuation for management services, for the 50,000 issued shares was \$ 50,000.

On March 20, 1991, the Company issued 20,000 shares of common stock to F.J. Donald Bilodeau; 20,000 shares of common stock to Thomas H. Fitzgerald Jr.; 20,000 shares of common stock to Rosemary L. Christensen and 20,000 shares of common stock to J.R.O. Walli in consideration of fees due the officers and to the Board of Directors and 20,000 shares to Somerville House for management fees. The 100,000 common stock shares were valued at stock published market price of \$.50 per share, for the total amount of \$ 50,000.

On March 30, 1991, the Company issued 500,000 shares of common stock to the My Turn Syndicate I to purchase a 25% working interest in mineral claims held by the My Turn Syndicate I. The selling price of 500,000 shares of common stock at a price of \$ 2.50 per share, which was in excess of the Company's bid market price.

On August 3, 1992, the Company issued 10,000 shares of common stock to F.J. Donald Bilodeau, 10,000 shares of common stock to Thomas H. Fitzgerald Jr., 10,000 shares of common stock to Rosemary L. Christensen, 10,000 shares of common stock to J.R.O. Walli in considerations for the officers and the Board of Directors fees and 20,000 shares of common stock to Somerville House for management fees. The issued shares were valued at market of \$.625 per share for a total price of \$43,750.

On February 21, 1994, the Company issued 5,000 shares of common stock to F.J. Donald Bilodeau, 5,000 shares of common stock to Thomas H. Fitzgerald Jr., 5,000 shares of common stock to Rosemary L. Christensen, 5,000 shares of common stock to J.R.O. Walli and 5,000 shares of common stock to Arthur Seligman in consideration of \$ 25,000 in fees to the Board of Directors and 20,000 shares of common stock valued at \$20,000 to Somerville House as an inducement for loans to the Company of \$207,212 and 4,500 shares of common stock to Frank A. Raffo in consideration of \$ 1,500 in services.

On February 21, 1994, the Company sold 10,000 shares of common stock to Charles S. Cates for \$25,000.

On February 14, 1995, the Company issued 150,000 shares of common stock for a total consideration to Unisource Financial Group, Inc. a California corporation as consideration for \$150,000 in services rendered under an agreement dated May 20, 1990.

On February 6, 1996, the Company issued 25,000 shares of common stock to Thomas H. Fitzgerald Jr. in consideration for services rendered, 10,000 shares of common stock to Rosemary L. Christensen and 10,000 shares of common stock to Arthur Seligman, 20,000 shares of common stock to Somerville House as an inducement for loans to the Company of \$ 173,432; 1,000 shares of common stock to Frank Watkins for services rendered as a guard at the Basin Mill; 2,500 shares of common stock to Peter Mejstrick for services as a geologist to the Ruby Mines and 1,000 shares of common stock to Janet Nordwich, C.P.A. in consideration of accounting services. Total shares of 69,500 were valued at the then restricted share price of \$1.90 per share, for a total value of \$132,050.

THE O.T. MINING CORPORATION
(A Development Stage Company)
SUPPLEMENTARY FINANCIAL INFORMATION
March 31, 2012

Organization of Company and Issuance of Common Stock, Cont.

During August 1996, the Company sold 273,421 common stock shares through a private placement at \$ 1.90 per share for total receipts of \$ 519,500.

On December 31, 1996, the Company exchanged shares for outstanding liabilities to "My Turn Syndicates I and II" and to Somerville House. Each receiving respectively 293,805 and 392,637 shares priced at \$1.875 per share valued at \$ 550,884 and \$ 736,195 respectively.

On November 19, 1997, the shareholders at a special meeting approved resolutions to increase the authorized shares of common stock of the Company from 5,000,000 to 20,000,000 and to increase the authorized shares of preferred stock of the Company from 2,500,000 to 5,000,000. In addition, shareholders approved the transaction by which the company's wholly owned subsidiary, Working Interest Corporation, will exchange its 25% working interest in six Quebec properties for 2, 174,816 shares of common stock of New Goldcore Ventures Ltd., which at the time represented 25% of its outstanding common stock. New Goldcore Ventures Ltd. subsequently changed its name to NAMEX Explorations Inc.

On November 19, 1997, the Company issued 10,000 shares of common stock to each of F.J. Donald Bilodeau, J.R.O. Walli, Rosemary Christensen, Thomas H. Fitzgerald, Jr. and Arthur Seligman. The company issued 10,000 common shares to Somerville House Management Ltd. for services provided. The company issued 25,000 shares of common stock to Arthur Seligman for obtaining three private placements totaling \$ 500,000 in August 1996 and 100,000 shares of common stock to C.R. Associates in consideration of services rendered from 1987 to June 1997. Total shares issued of 185,000 were valued at the then restricted share price of \$ 1.90 per share, for a total value of \$351,500.

On June 10, 1999, the Company exchanged 194,567 shares of common stock for outstanding liabilities to Somerville House of \$97,283.53. In consideration for services rendered, the company issued 250,000 shares of common stock to Somerville and 200,000 shares of common stock to Thomas H. Fitzgerald, Jr. In consideration for advances, the company issued 80,000 shares of common stock to Thomas H. Fitzgerald, Jr. and 70,000 to Arthur Seligman. Total shares issued of 794,567 were valued at the then restricted share price of \$0.50 per share, for a total value of \$397,284.

On December 10, 1999, 41,000 shares of common stock were issued for services rendered of \$20,500 at the then restricted stock price of \$ 0.50 per share.

During March 2000, the Company recouped 200,000 shares of common stock at the restricted share price of \$ 0.50 per share in settlement of contract valued at \$ 100,000.

On March 31, 2000 25,000 shares of common stock were issued at a price of \$1.50 per common share for services rendered valued at \$37,500.

THE O.T. MINING CORPORATION
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March 31, 2012

Organization of Company and Issuance of Common Stock, Cont.

On October 31, 2000 25,000 shares of common stock were issued at a price of \$1.00 per common share for services rendered valued at \$25,000.

On November 20, 2000, the company sold 80,000 common stock shares through a private placement at \$1.25 per share for total proceeds of \$100,000.

On April 30, 2001, 25,000 shares of common stock were issued at a price of \$1.25 per share for services rendered valued at \$31,250.

On May 24, 2001, the Company sold 324,000 common stock shares through a private placement at \$1.25 per share for total proceeds of \$405,000.

On May 24, 2001, the Company exchanged 61,836 shares of common stock for outstanding liabilities to Somerville House in the amount of \$46,377, at the restricted share price of \$0.75 per share.

On May 24, 2001, 69,833 shares of common stock were issued at the restricted share price of \$0.75 per common share for services rendered valued at \$52,375.

On August 8, 2001, the company sold 396,000 common shares through a private placement at \$1.25 per share for total proceeds of \$495,000.

On August 29, 2001, 120,000 shares of common stock were issued at a price of \$1.25 per common share for services rendered valued at \$150,000.

On August 5 and on November 5, 2001, two issues of shares of 12,500 each or 25,000 shares of common stock were issued at a price of \$1.25 per share for services rendered valued at \$31,250.

On January 29, 2002, the company sold 132,000 shares through a private placement at \$1.25 per share for total proceeds of \$165,000.

On March 6, 2002, 19,800 shares of common stock were issued at a price of \$1.25 per common share for services rendered valued at \$24,750.

On February 5 and May 5, 2002, two issues of 9,000 each or 18,000 shares of common stock were issued at \$1.75 per share for services rendered valued at \$31,500.

On March 6, 2002, 31,700 shares of common stock were issued at a price of \$1.75 per share for services rendered valued at \$55,475.

On March 6, 2003, the company sold 30,000 shares through a private placement at \$1.25 per share for total proceeds of \$37,500.

On April 28, 2003, the company sold 25,000 shares through a private placement at \$1.25 per share for total proceeds of \$31,250.

THE O.T. MINING CORPORATION
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March 31, 2012

Organization of Company and Issuance of Common Stock, Cont.

On July 3, 2003 a private placement of 8,000 common shares were issued for a consideration of \$10,000 or \$1.25 per common share.

On July 31, 2003 the company issued 25,000 shares of common stock to Mark Fedikow, 15,000 shares of common stock to Oliver Maki and 2,500 shares to Peter Mejstrick in consideration of services rendered with an aggregate value of \$53,125.00 or \$1.25 per share.

On July 31, 2003 the company issued 8,250 shares of common stock at a price of \$1.25 to Somerville House Management Ltd. for services rendered in selling 55,000 units of common stock to June 30, 2003 for a consideration of \$10,062.

On September 3, 2003 the company issues 12,250 shares in a private placement for a consideration of \$15,312 or \$1.25 per common share.

On March 12, 2004 the company issues 1,837 shares of common stock at a price of \$1.25 to Somerville House Management Ltd. for services rendered for a consideration of \$2,293.00.

During the period from September 2003 and principally to May 2004 the company issued 1,899,000 common shares pursuant to private placements for an aggregate consideration of \$2,373,750 or \$1.25 per common share.

On July 28, 2004 the company issued 284,850 shares of common stock at a price of \$1.25 or \$356,062 for services rendered in selling 1,899,000 common shares pursuant to private placements.

During the period of November 2004 to December 2004 the company issued 144,000 shares of common stock pursuant to warrants being exercised at \$2.50 for an aggregate consideration of \$360,000.

During the period January 2005 to June 2005 the company issued 781,500 shares of common stock pursuant to warrants being exercised at \$2.50 for an aggregate consideration of \$1,953,750.

During the period January 2005 to June 2005 the company issued 145,000 shares of common stock for professional service rendered for an aggregate consideration of \$217,500.

During the period July 2005 to December 2005 the company issued 128,500 shares of common stock pursuant to a private placement for an aggregate consideration of \$451,400 at \$3.50 per common share.

During the period July 2005 to December 2005 the company issued 75,820 shares of common stock pursuant to warrants being exercised at \$2.50 for an aggregate consideration of \$189,550.

During the period January 2006 to June 2006 the company issued 120,000 shares of common stock pursuant to warrants being exercised at \$2.50 for an aggregate consideration of \$300,000.

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Organization of Company and Issuance of Common Stock, Cont.

During the period January 2006 to June 2006 the company issued 57,500 shares of common stock for professional services rendered for an aggregate consideration of \$100,625.

During the period January 2006 to June 2006 the company issued 51,885 shares of common stock in settlement of referral fees commissions for an aggregate consideration of \$181,598 at \$3.50 per common share.

During the period January 2006 to June 2006 the company issued 584,045 shares of common stock pursuant to a private placement for an aggregate consideration of \$2,044,158 at \$3.50 per common share.

During the period January 2007 to June 30, 2007 the company issued 7,500 shares of common stock pursuant to a private placement for an aggregate consideration of \$26,250 at \$3.50 per common share.

During the period January 2007 to June 30, 2007 the company issued 54,000 shares of common stock for services rendered for an aggregate consideration of \$118,800 at \$2.20 per common share.

During the period July 2007 to December 31, 2007 the company issued 35,900 shares of common stock on exercise of warrants for an aggregate consideration of \$44,875 at \$1.25 per share.

During the period January 2008 to June 2008 the company issued 21,500 shares of common stock for services rendered for a consideration of \$26,875 at \$1.25 per common share.

During May 2008 the company issued 120,000 shares of common stock in discharge of a term loan in the amount of \$150,000 at \$1.25 per common share.

During the period January 2008 to June 2008, 3,750 warrants were exercised at \$2.50 per common share and 10,000 warrants were exercised at \$1.25 per common share for a consideration of \$21,875

During the period January 2008 to June 2008 the company issue 108,666 shares of common stock pursuant to a private placement for an aggressive consideration of \$163,000 at \$1.50 per common share.

During the period July 2008 to December 2008 the company issued 20,000 shares of common stock pursuant to a private placement for an aggregate consideration of \$30,000 at \$1.50 per common share.

During the period July 2008 to December 2008 the company issued 60,000 shares of common stock for services rendered for a consideration of \$60,000 at \$1.00 per common share.

During the period July 2008 to December 2008 the company issued 100,000 shares of common stock pursuant to a private placement for an aggregate consideration of \$25,000 at \$0.25 per common share.

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Organization of Company and Issuance of Common Stock, Cont.

During the period from July 2009 to December 2009 the company issued 686,000 shares of common stock pursuant to a private placement for an aggregate consideration of \$240,100 at \$.35 per common share.

During the period from January 1, 2010 to March 31, 2010 the company issued 40,000 shares of common stock pursuant to a private placement for our aggregate consideration of \$14,000 at \$0.35 per common share.

During the period from January 1, 2010 to March 31, 2010 certain loans due to officers and directors in the amount of \$425,000 were converted into common shares at the average market price over the preceding six months which averaged \$0.35 per share or 1,214,290 common shares in conversion of the loans.

During the period from April 1, 2010 to June 30, 2010 the company issued 140,000 shares of common stock pursuant to a private placement for our aggregate consideration of \$49,000 at \$0.35 per common share.

During the period from July 1, 2010 to September 30, 2010 the company issued 413,000 shares of common stock pursuant to a private placement for our aggregate consideration of \$145,810 at \$0.35 per common share.

During the period from October 1, 2010 to December 31, 2010 the company issued 140,000 shares of common stock pursuant to a private placement for our aggregate consideration of \$49,000 at \$0.35 per common share.

During the period from October 1, 2010 to December 31, 2010 deferred compensation owed to directors was converted into 1,272,000 common shares at the fair market value of \$1.25 per share for a total consideration of \$1,590,000.

During the period from October 1, 2010 to December 31, 2010 the company issued 214,000 common shares for services rendered for a consideration of \$74,900 at \$0.35 per share.

During the period from January 1, 2011 to March 31, 2011 the company issued 316,500 shares of common stock pursuant to a private placement for our aggregate consideration of \$100,275 at \$0.35 per common share.

During the period from April 1, 2011 to June 30, 2011 the company issued 194,500 shares of common stock pursuant to a private placement for our aggregate consideration of \$68,075 at \$0.35 per common share.

During the period from April 1, 2011 to June 30, 2011 the company issued 6,750 common shares for services rendered for a consideration of \$2,362 at \$0.35 per share.

During the period from July 1, 2011 to September 30, 2011 the company issued 390,000 common shares for services rendered for a consideration of \$136,500 at \$0.35 per share.

THE O.T. MINING CORPORATION
(A Development Stage Company)
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Organization of Company and Issuance of Common Stock, Cont.

During the period from October 1, 2011 to December 31, 2011 the company issued 65,000 shares of common stock pursuant to a private placement for our aggregate consideration of \$22,750 at \$0.35 per common share.

During the period from January 1, 2012 to March 31, 2012 the company issued 221,429 shares of common stock pursuant to a private placement for our aggregate consideration of \$77,500 at \$0.35 per common share.

During the period from January 1, 2012 to March 31, 2012 the company issued 289,430 common shares for services rendered for a consideration of \$101,300 at \$0.35 per share.

THE O.T. MINING CORPORATION
(A Development Stage Company)
SUPPLEMENTARY FINANCIAL INFORMATION
March 31, 2012

CONTINUITY SCHEDULE OF SHAREHOLDERS' EQUITY

| <u>Date</u> | Common Stock <u>Shares</u> | Common Stock <u>Amount</u> | Deficit Accumulated during <u>Development stage</u> | Net <u>Shareholders' Equity</u> |
|---------------------------------|----------------------------------|----------------------------------|---|------------------------------------|
| 9-16-1980 | <u>50,000</u> | \$ <u>102,565</u> | | |
| Loss at 6-30-1983 | | | \$ (71,525) | \$ 31,040 |
| Stock Split at 6-02-1987 (1) | 400,000 | 102,565 | | |
| 6-01-1987 (2) | 1,700,000 | 850,000 | | 850,000 |
| 6-30-1987 (3) | 20,000 | 242,795 | | 242,795 |
| Loss at 6-30-1987 | | | <u>(11,032)</u> | <u>(11,032)</u> |
| 6-30-1987 | <u>2,120,000</u> | <u>1,195,360</u> | <u>(82,557)</u> | 1,112,803 |
| 12-2-1987 (4) | 200,000 | 500,000 | | 500,000 |
| Loss at 6-30-1988 | | | <u>(113,175)</u> | <u>(113,175)</u> |
| 6-30-1988 | <u>2,320,000</u> | <u>1,695,360</u> | <u>(195,732)</u> | 1,499,628 |
| 9-23-1988 (5) | 4,000 | 4,000 | | 4,000 |
| 6-30-1989 (6) | 50,000 | 50,000 | | 50,000 |
| Loss at 6-30-1989 | | | <u>(140,530)</u> | <u>(140,530)</u> |
| 6-30-1989 | <u>2,374,000</u> | <u>1,749,360</u> | <u>(336,262)</u> | 1,413,098 |
| 6-30-1990 | | | <u>(43,694)</u> | <u>(43,694)</u> |
| 6-30-1990 | <u>2,374,000</u> | <u>1,749,360</u> | <u>(379,956)</u> | 1,369,404 |
| 3-20-1991 (6) | 100,000 | 50,000 | | 50,000 |
| 3-30-1991 (7) | 500,000 | 1,250,000 | | 1,250,000 |
| Loss at 6-30-1991 | | | <u>(125,678)</u> | <u>(125,678)</u> |
| 6-30-1991 | <u>2,974,000</u> | <u>3,049,360</u> | <u>(505,634)</u> | 2,543,726 |
| Loss at 6-30-1992 | | | (592,300) | 2,457,060 |
| 8-03-1992 (6) | 70,000 | 43,750 | | 43,750 |
| Loss at 6-30-1993 | | | <u>(119,059)</u> | <u>(119,059)</u> |
| 6-30-1993 | <u>3,044,000</u> | <u>\$ 3,093,110</u> | <u>\$ (711,359)</u> | \$ 2,381,751 |
| 2-21-1994 (6) | 45,000 | 45,000 | | 45,000 |
| 2-21-1994 (5) | 1,500 | 1,500 | | 1,500 |
| 2-21-1994 (8) | 10,000 | 25,000 | | 25,000 |
| Loss at 6-30-1994 | | | <u>(153,890)</u> | <u>(153,890)</u> |
| 6-30-1994 | <u>3,100,500</u> | <u>3,164,610</u> | <u>(865,249)</u> | 2,299,361 |
| 2-14-1995 (5) | 150,000 | 150,000 | | 150,000 |
| 6-30-1995 | <u>3,250,500</u> | <u>3,314,610</u> | (1,084,774) | 2,229,836 |
| 2-06-1996 (5) | 25,000 | 47,500 | | 47,500 |
| 2-06-1996 (6) | 41,000 | 77,900 | | 77,900 |
| 2-06-1996 (5) | 3,500 | 6,650 | | 6,650 |

THE O.T. MINING CORPORATION
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CONTINUITY SCHEDULE OF SHAREHOLDERS' EQUITY, CONT.

| <u>Date</u> | Common Stock <u>Shares</u> | Common Stock <u>Amount</u> | Deficit Accumulated during <u>Development stage</u> | Net <u>Shareholders' Equity</u> |
|-----------------|----------------------------------|----------------------------------|---|------------------------------------|
| 2-06-1996 (5) | 3,500 | 6,650 | | 6,650 |
| Loss at | | | | |
| 6-30-1996 | <u> </u> | <u> </u> | (220,548) | (220,548) |
| 6-30-1996 | 3,320,000 | 3,446,660 | (1,305,322) | 2,141,338 |
| 12-31-1996 (9) | 273,421 | 519,500 | | 519,500 |
| 12-31-1996 (10) | 293,805 | 550,884 | | 550,884 |
| 12-31-1996 (11) | 392,637 | 736,195 | | 735,166 |
| Loss at | | | | |
| 6-30-1997 | <u> </u> | <u> </u> | (118,477) | (118,477) |
| 6-30-1997 | 4,279,863 | 5,253,239 | (1,423,799) | \$3,829,440 |
| 11-19-1997 (6) | 50,000 | 95,000 | | 95,000 |
| 11-19-1997 (6) | 10,000 | 19,000 | | 19,000 |
| 11-19-1997 (6) | 25,000 | 47,500 | | 47,500 |
| 11-19-1997 (5) | 100,000 | 190,000 | | 190,000 |
| Loss at | | | | |
| 6-30-1998 | <u> </u> | <u> </u> | (351,233) | (351,233) |
| 6-10-1999 (12) | 194,567 | 97,284 | | 97,284 |
| 6-10-1999 (5) | 250,000 | 125,000 | | 125,000 |
| 6-10-1999 (13) | 150,000 | 75,000 | | 75,000 |
| 6-10-1999 (12) | 200,000 | 100,000 | | 100,000 |
| Loss at | | | | |
| 6-30-1999 | <u> </u> | <u> </u> | (382,231) | (382,231) |
| 6-30-1999 | 5,259,430 | \$ 6,002,023 | \$ (2,157,263) | \$ 3,844,760 |
| 6-30-1999 | 5,259,430 | \$ 6,002,023 | \$ (2,157,263) | \$ 3,844,760 |
| 12-10-1999 (5) | 41,000 | 20,500 | | 20,500 |
| 31-03-2000 (5) | 25,000 | 37,500 | | 37,500 |
| 31-03-2000 (14) | (200,000) | (100,000) | | (100,000) |
| Loss at | | | | |
| 06-30-2000 | <u> </u> | <u> </u> | (750,404) | (750,404) |
| 06-30-2000 | 5,125,430 | \$ 5,960,023 | \$ (2,907,667) | \$ 3,052,356 |
| 31-10-2000 (5) | 25,000 | 25,000 | | 25,000 |
| 20-11-2000 (15) | 80,000 | 100,000 | | 100,000 |
| 30-04-2001 (5) | 25,000 | 31,250 | | 31,250 |
| 24-05-2001 (15) | 324,000 | 405,000 | | 405,000 |
| 24-05-2001 (16) | 61,836 | 46,377 | | 46,377 |
| 24-05-2001 (5) | 69,833 | 52,375 | | 52,375 |
| Loss at | | | | |
| 06-30-2001 | <u> </u> | <u> </u> | (698,960) | (698,960) |
| 06-30-2001 | 5,711,099 | \$ 6,620,025 | \$ (3,606,627) | \$ 3,013,398 |
| 08-08-2001(15) | 396,000 | 495,000 | | 495,000 |
| 29-08-2001(5) | 120,000 | 150,000 | | 150,000 |
| 05-11-2001(5) | 25,000 | 31,250 | | 31,250 |
| 29-01-2002(15) | 132,000 | 165,000 | | 165,000 |

THE O.T. MINING CORPORATION
(A Development Stage Company)
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CONTINUITY SCHEDULE OF SHAREHOLDERS' EQUITY, CONT.

| <u>Date</u> | Common Stock <u>Shares</u> | Common Stock <u>Amount</u> | Deficit Accumulated during <u>Development stage</u> | Net Shareholders' <u>Equity</u> |
|--------------------|-------------------------------|-------------------------------|---|------------------------------------|
| 06-03-2002(5) | 19,800 | 24,750 | | 24,750 |
| 24-05-2001 (15) | 324,000 | 405,000 | | 405,000 |
| 24-05-2001 (16) | 61,836 | 46,377 | | 46,377 |
| 24-05-2001 (5) | 69,833 | 52,375 | | 52,375 |
| Loss at | _____ | _____ | <u>(698,960)</u> | <u>(698,960)</u> |
| 06-30-2001 | | | | |
| 06-30-2001 | 5,711,099 | \$ 6,620,025 | \$ (3,606,627) | \$ 3,013,398 |
| 08-08-2001(15) | 396,000 | 495,000 | | 495,000 |
| 29-08-2001(5) | 120,000 | 150,000 | | 150,000 |
| 05-11-2001(5) | 25,000 | 31,250 | | 31,250 |
| 29-01-2002(15) | 132,000 | 165,000 | | 165,000 |
| 06-03-2002(5) | 19,800 | 24,750 | | 24,750 |
| 06-03-2002(5) | 31,700 | 55,475 | | 55,475 |
| 05-05-2002(5) | 18,000 | 31,500 | | 31,500 |
| Loss at | _____ | _____ | <u>(403,520)</u> | <u>(403,520)</u> |
| 06-30-2002 | | | | |
| | 6,453,599 | \$7,573,000 | \$(4,010,147) | \$3,562,853 |
| 03-06-2003 | 30,000 | 37,500 | | 37,500 |
| 04-28-2003 | 25,000 | 31,250 | | 31,250 |
| Loss at | _____ | _____ | <u>(260,492)</u> | <u>_____</u> |
| 06-30-2003 | | | | |
| 06-30-2003 | 6,508,599 | \$7,641,750 | \$(4,270,639) | \$3,371,11 |
| 07-03-2003(15) | 8,000 | 10,000 | | 10,000 |
| 07-31-2003(5) | 42,500 | 53,125 | | 53,125 |
| 07-31-2003(5) | 8,250 | 10,062 | | 10,062 |
| 09-03-2003(15) | 12,250 | 15,313 | | 15,313 |
| 03-12-2004(5) | 1,837 | 2,293 | | 2,293 |
| 05-30-2004(15) | 1,899,000 | 2,373,750 | | 2,373,750 |
| Loss at | _____ | _____ | <u>(688,593)</u> | <u>(688,593)</u> |
| 06-30-2004 | | | | |
| 06-30-2004 | <u>8,480,436</u> | <u>\$10,106,293</u> | <u>\$(4,959,232)</u> | <u>\$5,147,061</u> |
| 07-28-2004 (5) | 284,850 | 356,062 | | 356,062 |
| 12-31-2004 (17) | 144,000 | 360,000 | | 360,000 |
| 06-30-2005 (17) | 781,500 | 1,953,750 | | 1,953,750 |
| 06-30-2005 (5) | <u>145,000</u> | <u>217,500</u> | | <u>217,500</u> |
| Loss at | _____ | _____ | <u>(2,763,809)</u> | <u>(2,763,809)</u> |
| 06-30-2005 | | | | |
| 06-30-2005 | <u>9,835,786</u> | <u>\$12,993,605</u> | <u>\$(7,723,041)</u> | <u>\$ 5,270,564</u> |
| 06-30-2005 | | | | |
| 12-31-2005 (18) | 128,500 | 451,400 | | 451,400 |
| 12-31-2005 (19) | 75,820 | 189,550 | | 189,550 |
| 06-30-2006 (19) | 120,000 | 300,000 | | 300,000 |
| 06-30-2006 (20) | 51,885 | 181,598 | | 181,598 |
| 06-30-2006 (5) | 57,500 | 100,625 | | 100,625 |
| 06-30-2006 | 584,045 | 2,044,157 | | 2,044,157 |
| Loss at 06-30-2006 | _____ | _____ | <u>(1,014,112)</u> | <u>(1,014,112)</u> |
| 06-30-2006 | | | | |
| 06-30-2006 | <u>10,853,536</u> | <u>\$ 16,260,935</u> | <u>\$ 8,737,153</u> | <u>\$ 7,523,782</u> |
| 06-30-2007 (5) | 54,000 | 118,800 | | 118,800 |

THE O.T. MINING CORPORATION
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CONTINUITY SCHEDULE OF SHAREHOLDERS' EQUITY, CONT.

| <u>Date</u> | <u>Common Stock Shares</u> | <u>Common Stock Amount</u> | <u>Deficit Accumulated during Development stage</u> | <u>Net Shareholders' Equity</u> |
|--------------------|--------------------------------|--------------------------------|---|-------------------------------------|
| 06-30-2007 (18) | 7,500 | 26,250 | | 26,250 |
| Loss at 06-30-2007 | | | <u>(325,433)</u> | <u>(325,433)</u> |
| 06-30-2007 | <u>10,915,036</u> | <u>\$ 16,405,985</u> | <u>\$ 9,062,586</u> | <u>\$ 7,343,399</u> |
| 12-31-2007 (21) | 35,900 | 44,875 | | 44,875 |
| 06-30-2008 (5) | 21,500 | 26,875 | | 26,875 |
| 06-30-2008 (22) | 120,000 | 150,000 | | 150,000 |
| 06-30-2008 (21) | 10,000 | 12,500 | | 12,500 |
| 06-30-2008 (19) | 3,750 | 9,375 | | 9,375 |
| 06-30-2008 (15) | <u>108,666</u> | <u>163,000</u> | | <u>163,000</u> |
| Loss at 06-30-2008 | | | <u>(323,538)</u> | <u>(323,358)</u> |
| | <u>11,214,852</u> | <u>\$16,812,610</u> | <u>\$9,386,124</u> | <u>\$7,426,486</u> |
| 06-30-2009 (23) | 20,000 | 30,000 | | 30,000 |
| 06-30-2009 (5) | 100,000 | 25,000 | | 25,000 |
| 06-30-2009 (5) | <u>60,000</u> | <u>60,000</u> | | <u>60,000</u> |
| 06-30-2009 | | | <u>(386,791)</u> | <u>(386,791)</u> |
| Loss at 06-30-2009 | <u>11,394,852</u> | <u>\$ 16,927,610</u> | <u>\$ (9,772,915)</u> | <u>\$ 7,154,695</u> |
| 09-30-2009 (24) | 686,000 | 240,100 | | 240,100 |
| 03-31-2010 (24) | 40,000 | 14,000 | | 14,000 |
| 03-31-2010 (25) | 1,214,290 | 425,000 | | 425,000 |
| 06-30-2010 (24) | 100,000 | 35,000 | | 35,000 |
| 06-30-2010 (24) | <u>40,000</u> | <u>14,000</u> | | <u>14,000</u> |
| Loss at 06-30-2010 | | | <u>(296,222)</u> | <u>(296,222)</u> |
| 06-30-2010 | <u>13,475,142</u> | <u>\$ 17,655,710</u> | <u>\$ (10,069,137)</u> | <u>\$ 7,586,573</u> |
| 09-30-2010 (24) | 353,000 | 123,550 | | 123,550 |
| 09-30-2010 (24) | 60,000 | 22,260 | | 22,260 |
| 12-31-2010 (24) | 140,000 | 49,000 | | 49,000 |
| 12-31-2010 (26) | 1,272,000 | 1,590,000 | | 1,590,000 |
| 12-31-2010 (5) | 214,000 | 74,900 | | 74,900 |
| 03-31-2011 (24) | 90,000 | 31,500 | | 31,500 |
| 03-31-2011 (24) | 53,000 | 18,550 | | 18,550 |
| 03-31-2011 (24) | 173,500 | 50,225 | | 50,225 |
| 06-30-2011 (24) | 194,500 | 68,075 | | 68,075 |
| 06-30-2011 (5) | <u>6,750</u> | <u>2,362</u> | | <u>2,362</u> |
| Loss at 06-30-2011 | | | <u>(1,105,429)</u> | <u>(1,105,429)</u> |
| 06-30-2011 | <u>16,031,892</u> | <u>\$ 19,686,133</u> | <u>\$ (11,174,566)</u> | <u>\$ 8,511,567</u> |

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CONTINUITY SCHEDULE OF SHAREHOLDERS' EQUITY, CONT.

| <u>Date</u> | <u>Common Stock Shares</u> | <u>Common Stock Amount</u> | <u>Deficit Accumulated during Development stage</u> | <u>Net Shareholders' Equity</u> |
|--------------------|--------------------------------|--------------------------------|---|-------------------------------------|
| 09-30-2011 (24) | 45,000 | 15,750 | | 15,750 |
| 09-30-2011 (24) | 345,000 | 120,750 | | 120,750 |
| 12-31-2011 (24) | 65,000 | 22,750 | | 22,750 |
| 03-31-2012 (24) | 221,429 | 77,500 | | 77,500 |
| 03-31-2012 (27) | 18,000 | 6,300 | | 6,300 |
| 03-31-2012 (5) | 150,000 | 52,500 | | 52,500 |
| 03-31-2012 (5) | 100,000 | 35,000 | | 35,000 |
| 03-31-2012 (27) | 21,430 | 7,500 | | 7,500 |
| Loss at 03-31-2012 | | | <u>(339,211)</u> | <u>(339,211)</u> |
| 03-31-2012 | <u>16,997,751</u> | <u>\$ 20,024,183</u> | <u>\$ (11,513,777)</u> | <u>\$ 8,510,406</u> |

- (1) Share issuance to shareholders of O.T. Mining, LTD (Formerly Ruby Resources, LTD) for common stock shares split of 1 for 8 on June 1, 1987 (50,000 converted for stock split to 400,000).
- (2) Share issuance to My Turn Syndicate for 25% working interest in Canadian Mineral Properties.
- (3) Share issuance to International Domesticated Furs Ltd. for settlement of debt.
- (4) Sale of shares at \$2.50 per share totaling \$500,000.
- (5) Issuance of shares for professional fees priced at lower of market (National Quotation Bureau) or company restricted stock price.
- (6) Issuance of shares for Officers and Directors fees priced at lower of market (National Quotation Bureau) or company restricted stock price.
- (7) Issuance of shares for 25% working interest in My Turn Syndicate for Canadian Mineral Properties.
- (8) Sale of shares at \$2.50 per share totaling \$25,000.
- (9) Sale of shares through private placement at \$1.90 per share.
- (10) Sale of shares to My Turn Syndicates at \$1.875 per share for deferred expense payable to the Syndicates.
- (11) Sale of shares to Somerville House for advances to corporation priced at \$1.875 per share.
- (12) Sale of shares to Somerville House for advances to corporation priced at \$0.50 per share.
- (13) Sale of shares to Directors for advances to corporation priced at \$0.50 per share.
- (14) Corporate recoupment of shares on settlement of contract performance priced at \$0.50 per share.
- (15) Sale of shares through private placement at \$1.25 per share.
- (16) Sale of shares to Somerville House for advances to corporation prices at \$1.25 per share.
- (17) Sale of shares through private placement at \$2.50 per share.
- (18) Sale of shares through private placement at \$3.50 per share.
- (19) Sales of shares on exercise of warrants at \$2.50 per share.
- (20) Sale of shares in settlement of referral fees and commissions on the private placement at \$3.50 per share.
- (21) Sale of shares on exercise of warrants at \$1.25 per share.
- (22) Sale of shares on loan discharge at \$1.25 per share.
- (23) Sale of shares through private placement at \$1.50 per share.
- (24) Sale of shares through private placement at \$0.35 per share.
- (25) Sale of shares on loan discharge at \$0.35 per share.
- (26) Sale of shares on discharge of deferred compensation at December 31, 2010 at \$1.25 per share.
- (27) Issuance of shares for services rendered at \$0.35 per share.

THE O.T. MINING CORPORATION
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Schedule of Net Administrative Expenses from Inception

Net general and administrative amounts for the period ended March 31, 2012 and the years ending June 30, 2011 and 2010, are as follows:

| | March 31, <u>2012</u> | June 30, <u>2011</u> | June 30, <u>2010</u> | Cumulative Amounts to <u>Mar. 31, 2012</u> |
|---------------------------------|--|---------------------------------------|---------------------------------------|---|
| Bank Charges and Interest | \$ 104 | \$ 551 | \$ 413 | \$ 47,566 |
| Commissions | -0- | -0- | -0- | 990,013 |
| Corporate Services | 46,547 | 20,827 | 10,755 | 264,477 |
| Leasehold Improvements | -0- | -0- | -0- | 418 |
| Management- Somerville | -0- | -0- | -0- | 268,289 |
| Miscellaneous | -0- | -0- | -0- | 1,951 |
| Office Rent & Facilities | 118,764 | 152,804 | 155,643 | 2,036,743 |
| Printing, Postage, & Stationary | -0- | -0- | -0- | 28,030 |
| Professional Fees | 81,157 | 99,807 | 55,247 | 1,669,754 |
| Secretarial | -0- | -0- | -0- | 214,087 |
| Telephone | -0- | -0- | -0- | 38,911 |
| Travel & Project Development | 1,905 | 500 | 3,098 | 267,396 |
| Courier & Delivery | -0- | -0- | -0- | 9,997 |
| Marketing & Shareholder Info. | 45,734 | 35,693 | 465 | 766,414 |
| Directors/Officers' Fees | 45,000 | 60,000 | 60,000 | 1,986,750 |
| Incorporation Costs | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> | <u>500</u> |
| Total | <u>339,211</u> | <u>370,182</u> | <u>285,622</u> | <u>8,655,403</u> |
| Other Income | | | | |
| Interest | -0- | -0- | -0- | 94,949 |
| Rental | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> | <u>19,020</u> |
| Total Other Income | <u>-0-</u> | <u>-0-</u> | <u>-0-</u> | <u>113,969</u> |
| Net Loss from Operations | <u>\$ 339,211</u> | <u>\$ 370,182</u> | <u>\$ 285,622</u> | <u>\$ 8,541,434</u> |