EMC METALS CORP.
Form 10-12G/A
September 15, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10

(Amendment No. 2)

GENERAL FORM FOR REGISTRATION OF SECURITIES
Pursuant to Section 12(b) or (g) of The Securities Exchange Act of 1934

EMC METALS CORP.

(Exact Name of Registrant as specified in its charter)

British Columbia, Canada	**Not Applicable**
(State or other Jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification No.)

11th Floor 888 Dunsmuir Street
Vancouver, BC, Canada **V6C 3K4**
(Address of Principal Executive Offices) (Zip Code)

Registrant s Telephone Number, including area code: **(604) 648-4653**

Securities registered pursuant to Section 12(b) of the Act: **None**

Securities to be registered pursuant to Section 12(g) of the Act:
Common Shares without par value
(Title of class)

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act (Check one):

Large Accelerated Filer [ ]	Accelerated Filer [ ]
Non-Accelerated Filer [ ]	Smaller Reporting Company [X]

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Note about Forward-Looking Statements

Certain statements contained in this registration statement constitute "forward-looking statements". Forward-looking statements may include, but are not limited to, statements with respect to the future price of commodities, the estimation of mineral resources, the realization of mineral resource estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, the completion of financings and regulatory approvals. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "scheduled", "estimates", "intends", "anticipates" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements. Such factors may include, among others, risks related to our joint venture operations; actual results of current exploration activities or production technologies that we are currently testing; actual results of reclamation activities; future metal prices; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental or regulatory approvals or financing or in the completion of development activities, as well as those factors discussed in the section entitled "Risk Factors" and elsewhere in this registration statement. Although we have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Note on Currency of Financial Information and Exchange Rate Table

We maintain our books of account in Canadian dollars and references to dollar amounts herein are to the lawful currency of Canada unless otherwise indicated.

The following table sets forth, for the periods indicated, certain exchange rates based on the noon buying rate in New York City for cable transfers in Canadian dollars. Such rates are the number of Canadian dollars per one (1) U.S. dollar. The high and low exchange rates for each month during the previous six months were as follows:

	High	Low
June 2011	0.9885	0.9698
May 2011	0.9781	0.9445
April 2011	0.9705	0.9491
March 2011	0.9891	0.9698
February 2011	0.9984	0.9710
January 2011	1.0060	0.9848

The following table sets out the exchange rate (price of one U.S. dollar in Canadian dollars) information as at each of the years ended December 31, 2010 and 2009.

	Year Ended December 31 (Canadian $ per U.S. $)	
	2010	2009
Rate at end of Period	0.9946	1.0510
Average during Period	1.0299	1.1420
Low	0.9931	1.0251
High	1.0848	1.3066

Glossary of Terms

Alteration	Usually referring to chemical reactions in a rock mass resulting from the passage of hydrothermal fluids.
Assay	An analysis to determine the presence, absence or quantity of one or more components, elements or minerals.
Base metal	Any non-precious metal (e.g. copper, lead, zinc, nickel, etc.).
Chalcopyrite	A yellow crystalline mineral consisting of a sulphide of copper and iron. It is the principal ore of copper.
Concession	A grant of a tract of land made by a government or other controlling authority in return for stipulated services or a promise that the land will be used for a specific purpose.
Core	The long cylindrical piece of a rock, up to several inches in diameter, brought to the surface by Diamond drilling.
Diamond drilling	A drilling method in which the cutting is done by abrasion using diamonds embedded in a matrix rather than by percussion. The drill cuts a core of rock, which is recovered in long cylindrical sections.
Dip	The angle at which a vein, structure or rock bed is inclined from the horizontal as measured at right angles to the Strike; may also apply to the angle of inclination for a drill hole.
Epithermal	A hydrothermal mineral deposit formed within about one kilometer of the earth s surface and in the temperature range of 50 200 degrees Celsius. Also used to denote the environment of deposition.
Fractures	Breaks in a rock, usually due to intensive folding or faulting.
Grade	The concentration of a valuable mineral within an Ore.
Hydrothermal	Hot fluids, usually water, which may, or may not carry metals and other compounds in solution to the site of mineral deposition or wall rock alteration.
Igneous	A rock formed by the cooling of molten silicate material.
Intrusion	A general term for a body of Igneous rock formed below the surface of the earth.

Intrusive	A body of Igneous rock formed by the consolidation of magma intruded into other rocks, in contrast to lavas, which are extruded upon the surface.
Kg	Kilogram which is equivalent to approximately 2.20 pounds.
Km	Kilometer which is equivalent to approximately 0.62 miles.
Kt	Thousand tonnes.
Lode	A deposit of metallic ore filling a fissure in the surrounding rock.
Mineralization	A term used to describe the presence of minerals of possible economic value. Also used to describe the process by which concentration of economic minerals occurs.
Mlbs	Million pounds.
Net Smelter Returns Royalty	A share of the net revenues generated from the sale of metal produced by a mine.
NI 43-101	National Instrument 43-101 *Standards for Disclosure of Mineral Projects*, being the regulation adopted by Canadian securities regulators that governs the public disclosure of technical and scientific information concerning a mineral property.
Ore	A naturally occurring solid material from which a metal or valuable mineral can be profitably extracted.
Outcrop	An exposure of rock at the earth s surface.
Pegmatite	Coarse-grained igneous rocks that often occur as wide veins cutting across other types of rock.
Porphyry	Igneous rock of any composition that contains conspicuous crystals in a fine grained groundmass.
ppb and ppm	Parts per billion and parts per million, respectively.
Pyrite	Iron Sulphide mineral. The most common and abundant Sulphide mineral and often found in association with copper and gold.
Qualified Person	Means a Qualified Person as defined in National Instrument 43-101, including an engineer or geoscientist in good standing with their professional association, with at least five years of relevant experience.
Quartz	The second most common rock forming mineral in the earth s crust. SiO2.
Resource	Means any of a measured, indicated or inferred resource as used in NI 43-101, and having the following meanings:

measured resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

indicated resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

inferred resource is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

For the purposes of the above a **mineral resource** means a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth s crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.

(Please refer to **Item 3. Property - Cautionary Note To U.S. Investors Regarding Resource Estimates** in regards to the use of the above terms in this registration statement.)

Rhyolite	The fine grained equivalent of a granite.
Sulphide	A class of minerals characterized by the linkage of sulphur with a metal (such as Pyrite (FeS2)).
tpd	Tonnes per day.
Tonnes	A metric ton which is equivalent to approximately 2,204 pounds.
Tuff	A Volcanic rock formed through the compaction of volcanic crystals and/or rock fragments generally smaller than 4 mm in diameter.
Sedimentary	A rock formed from cemented or compacted Sediments.

Sediments	The debris resulting from the weathering and breakup of other rocks that have been deposited by or carried by runoff, streams and rivers, or left over from glacial erosion or sometimes from wind action.
Strike	The direction or bearing from true north of a vein, rock formation or structure measured on a horizontal surface.
Vein	A geological feature comprised of minerals (usually dominated by quartz) that are found filling openings in rocks created by faults or replacing rocks on either side of faults or Fractures.
Volcanic rock	A finely crystalline or glassy Igneous rock resulting from volcanic actions at or near the earth s surface.

ITEM 1. BUSINESS

General

We were incorporated on July 17, 2006 under the laws of British Columbia, Canada under the name Golden Predator Mines Inc. We were incorporated as a wholly owned subsidiary of Energy Metals Corp. for the purpose of holding the precious metals and certain specialty metals assets. Energy Metals was formerly a company listed on the Toronto Stock Exchange and NYSE Arca, focused on uranium development projects, and was acquired by Uranium One Inc. in August of 2007. Effective March 12, 2009, we changed our name to EMC Metals Corp.

We are a reporting issuer in the Canadian Provinces of British Columbia, Alberta and Ontario and our common shares are listed for trading on the Toronto Stock Exchange under the trading symbol EMC .

Our head office is located at 11th Floor - 888 Dunsmuir Street, Vancouver, British Columbia, Canada, V6C 3K4, which is also the address of our registered and records office.

Loss of Foreign Private Issuer Status under U.S. Securities Laws

Based on our analysis of the number of our shares held by persons resident in the U.S. as of June 30, 2010, as well as the majority of our assets and directors being in the U.S., we do not meet the definition of a foreign private issuer under U.S. securities laws. As a result, effective January 1, 2011, we are subject to U.S. securities laws as applicable to a U.S. domestic company. The loss of foreign private issuer status has several implications to us, including that additional restrictions generally apply to the resale of securities issued by us after January 1, 2011 unless we file an effective registration statement with the U.S. Securities and Exchange Commission in respect of those securities.

Intercorporate Relationships

The chart below illustrates our corporate structure, including our subsidiaries, the jurisdictions of incorporation, and the percentage of voting securities held.

Recent History

Exploration Joint Venture with Jervois Mining Limited

On February 5, 2010, we entered into an Exploration Joint Venture Agreement with Jervois Mining Limited to develop the Nyngan scandium property in New South Wales, Australia, which is commonly referred to as the Nyngan Project. The Exploration Joint Venture Agreement gives us the right to earn a 50% interest in a joint venture with Jervois Mining Limited, for the purpose of holding and developing the Nyngan Project.

Pursuant to the terms of the Exploration Joint Venture Agreement, our right to proceed to form a joint venture with Jervois Mining was conditional on preliminary conditions being met including the following:

1. confirming to our satisfaction that Jervois, subject to prior royalty interests, was the sole and beneficial owner of the Nyngan Project free of encumbrances or claims by third parties and that the Nyngan Project is in good standing under the relevant legislation;

2. paying $300,000 to Jervois;

3. obtaining the approval of the Toronto Stock Exchange of the Exploration Joint Venture Agreement;

4. obtaining the consent of the New South Wales state government to the transactions contemplated in the Exploration Joint Venture Agreement; and

5. obtaining the approval of the Australian Government Foreign Investment Review Board for the Exploration Joint Venture Agreement.

All of the above preliminary conditions were satisfied by March 30, 2010. As a result of the satisfaction of these conditions, we now have the right to earn a 50% interest in a joint venture with Jervois Mining Limited. The Exploration Joint Venture Agreement provides that we may earn our 50% by doing the following:

1. conducting a minimum of AUD$500,000 in exploration and metallurgical test-work on the Nyngan Project within 180 business days of the above conditions precedent being satisfied, or paying cash in lieu thereof. In September of 2010, the deadline was extended to June 15, 2011. The required exploration and metallurgical test-work was completed by us before the deadline and accordingly this condition has been met;

2. delivering a feasibility study within 480 business days of the above conditions precedent being satisfied; and

3. paying to Jervois an additional AUD$1,300,000 plus taxes, within 5 business days of the delivery of the feasibility study.

Once we have acquired a 50% interest in the joint venture, the Exploration Joint Venture Agreement provides for straight-line dilution, with interests diluted below 10% being converted into a 2% Net Smelter Returns Royalty.

Acquisition of The Technology Store, Inc.

We entered into a stock purchase agreement dated November 19, 2009, with Willem P. Duyvesteyn and Irene G. Duyvesteyn, pursuant to which we acquired all of the issued and outstanding common shares of The Technology Store, Inc. (TTS), a Nevada corporation. In exchange, we issued to the shareholders of TTS, 19,037,386 of our common shares, paid USD$802,358 in cash, issued a promissory note in the amount of USD$500,000 with a maturity date of 2 years, and agreed to pay certain U.S. federal income taxes payable in connection with the transaction. The acquisition of TTS completed with an effective date of December 16, 2009.

TTS conducts research and development of commercial extractive metallurgical processes. TTS specializes in the development of specialty metals extractive technologies, with emphasis on improving recoveries in the extraction of scandium, tungsten, boron, lithium, titanium, and nickel and a host of other emerging and unusual metals. As a condition of the stock purchase agreement, Willem D. Duyvesteyn, the principal of TTS, was appointed to our board of directors on December 16, 2009.

Spin-out of Golden Predator Corp.

Pursuant to a reorganization agreement dated February 5, 2009 between us and our then wholly-owned subsidiary Golden Predator Corp., we transferred most of our precious metals assets to Golden Predator in order to focus on our specialty metals assets and pursue additional specialty assets opportunities.

Concurrently with the reorganization, we completed a spin-out of Golden Predator to our shareholders. The spin out was completed on March 6, 2009, at which time we changed our name to EMC Metals Corp. As a result of the spin-out, Golden Predator became a reporting issuer in Canada and subsequently listed on the TSX Venture Exchange and then the Toronto Stock Exchange.

In connection with the reorganization and spin-out, we granted Golden Predator certain participation and acquisition rights to gold projects that were held by our subsidiary Great American Minerals, Inc. We subsequently sold Great American Minerals to Golden Predator in November of 2010 in consideration for a reduction in inter-corporate amounts owing due to adjustments from the spin-out and other adjustments. We however retained our interest in the non-gold properties including the Carlin Vanadium property.

Pursuant to a Mine Facility Agreement dated October 25, 2010, we granted Golden Predator access and use rights to a parcel of property on a corner of the Springer Mill property, a refurbished and permitted mill located in Nevada. The access rights provide Golden Predator with a suitable site to develop an independent gold milling facility.

Fury Explorations Ltd.

In 2008 we acquired Fury Explorations Ltd. in exchange for the issuance of 10,595,814 of our common shares and 18,310,237 common share purchase warrants and options to the shareholders of Fury Explorations. The acquisition of Fury Explorations was completed on August 15, 2008. Fury Explorations held two mineral resource projects in Nevada, including a silver mine and mill, and three mineral resource properties in Mexico. In February of 2009 Fury Explorations was transferred to Golden Predator as part of our reorganization and spin-out transaction.

Gold Standard Royalty Corporation

In 2008 we acquired Gold Standard Royalty Corporation in exchange for 2,050,000 of our common shares and options to acquire a further 168,334 of our common shares. Gold Standard holds a portfolio of gold exploration properties and leases formerly owned by the Lyle Campbell Trust. In February of 2009, Gold Standard was transferred to Golden Predator as part of our reorganization and spin-out transaction.

Great American Minerals, Inc.

In 2008 we acquired Great American Minerals, Inc., a Nevada company with gold, silver, vanadium and molybdenum assets in Nevada and California. Pursuant to the business combination agreement with Great American Minerals, we acquired a 74% equity interest in Great American Minerals for consideration of $7,480,626 in cash by way of private placement. We subsequently acquired the remaining 26% by issuing 1,045,775 of our common shares, issuing 258,383 share purchase warrants, and issuing 320,125 options to securityholders of Great American Minerals.

In 2009 we retired certain convertible debentures issued by Great American Minerals by issuing to the holders of the convertible debentures 7,336,874 of our common shares and 1,787,374 share purchase warrants, exercisable to acquire our common shares at USD$0.30 per share for a period of two years. The holders of the convertible debentures also received share purchase warrants of Golden Predator. We issued 500,040 share purchase warrants as an agent s fee in connection with the proposal to holders of convertible debentures.

In November of 2010 we sold Great American Minerals to Golden Predator in consideration for a reduction in intercorporate amounts owing. We retained certain non-gold properties held by Great American Minerals, namely including the Carlin Vanadium Property.

Tordal and Evje Properties, Norway

In April of 2011, we entered into an option agreement with REE Mining AS of Norway, pursuant to which we acquired the option to earn 100% of the outstanding common shares in the capital of a Norwegian limited liability company which holds the exploration rights to two pegmatite properties, known as the Tordal property and the Evje property. The properties are both prospective for a grouping of specialty metals, and rare earth elements, including scandium, yttrium, tantalum, beryllium, niobium, zirconium, titanium, lithium, nickel and tin.

Under the terms of the REE Option Agreement, we may earn 60% of the Norwegian limited liability company by:

(a) paying to REE Mining an aggregate USD$430,000 as follows:

(i) USD$130,000 on March 31, 2011 (paid); and

(ii) an additional USD$300,000 on or before October 31, 2012; and

If we acquire the initial 60% interest, we can earn the remaining 40% of the Norwegian limited liability company by:

(a) paying to REE Mining USD$200,000 on or before March 31, 2013; and

(b) issuing to REE Mining 1,000,000 of our common shares on or before March 31, 2013.

We are currently conducting the second stage of a surface sampling program on the Tordal property. It is anticipated that similar programs will be initiated at Evje property in 2011.

Business Operations

Company Summary

We are a mineral exploration and development company that is focused on the development of scandium, tungsten, vanadium, rare earth minerals, and other specialty metals, including nickel, cobalt, boron, manganese, tantalum, titanium and zirconium.

Our principal properties and projects include 100% ownership of the Springer Mine and mill complex in Nevada, a right to acquire a joint venture interest on the Nyngan Project in Australia, and 100% ownership of the Carlin Vanadium project in Nevada.

Corporate Objective and Strategy

Our primary corporate focus is to produce and sell scandium and scandium-based products, such as master alloy. None of our current properties has advanced to the development or production stage and we are currently an exploration stage company. In addition we do not currently have reserves on any of our properties. We are however conducting technical and assessment work on the Nyngan scandium property located in Australia, for the purpose of preparing a feasibility study on the development of the scandium resource. Subject to a successful feasibility study, we intend to develop the Nyngan resource for production, with a view to supplying the anticipated future demand for scandium oxide and scandium-content materials. Conceptual development plans of the Nyngan Project include construction of a commercial plant on the property that will process mineralized material extracted from the property. The time-frame for development of the project by us is subject to numerous risks and factors, including a successful feasibility study, however we are targeting 2012 for the commencement of construction of a plant. The commencement of construction is subject to various risks including our ability to earn and maintain a 50% joint venture interest in the Nyngan Project as well as the requirement to obtain project financing. For further information on the Nyngan Project, please refer to *Item 3. Properties - Description of Properties Nyngan Scandium Project* and *Item 1A. Risk Factors* .

Concurrently with our analysis of the Nyngan Project, we are developing and testing unique mineral recovery techniques as well as techniques to produce high quality finished scandium metals. If effective at a commercial level, these recovery and finishing techniques will provide increased economic margins and returns on capital on any future scandium production. Presently our recovery and finishing technology is in the testing phase, and there is no guarantee that we will be able to benefit from the commercial application of such techniques or that we will have scandium production in the future.

Global Scandium Production and Market

Scandium is the 31st most abundant element in the earth s crust (average 33 ppm), which makes it more common than lead, mercury and precious metals, but less common than copper. Scandium has characteristics that are similar to rare earth elements, and it is often classified as a member of that group, although it is technically a light transition metal. Scandium rarely occurs in concentrated quantities because it does not selectively combine with the common ore-forming anions, and it is very difficult to reduce to a pure metal state. Scandium is typically produced and sold as

scandium oxide (Sc_2O_3).

Global annual production estimates of scandium range from 2 tonnes to 10 tonnes, but accurate statistics are not available due to the lack of public information from countries in which scandium is currently being produced. There are three known production sources globally today: stockpiles from the former Zhovti Voty uranium mine in Ukraine, the rare earth mine at Bayan Obo in China, and the apatite mines on the Kola Peninsula in Russia.

There is no reliable pricing data on scandium oxide trading. The U.S. Geological Survey in its latest report (January 2011) documents the price of scandium oxide at USD$1,400/kg for the four previous years, however small quantities of scandium oxide are currently offered on the internet by traders for multiples of this figure. Scandium oxide prices vary based on purity and quantity. The weight-to-price ratio of scandium metals and compounds is generally much higher for gram quantities than for kilogram purchases. Kilogram prices for scandium metal ingot are typically double the cost of the starting scandium compound, while higher purity distilled or sublimed metal ranges from four to six times the cost of the starting material.

Principal uses for scandium are in high-strength aluminum alloys, high-intensity metal halide lamps, electronics, and laser research. Recently developed applications include welding wire and fuel cells which are expected to be in future demand. Approximately 15 different commercial scandium-aluminum alloys have been developed in Russia, and some of them are used for aerospace applications. In Europe and the U.S., scandium containing alloys have been evaluated for use in structural parts in airplanes. The combination of high strength and lightweight makes scandium-aluminum alloys suitable for a number of applications.

Competitive Conditions

We compete with numerous other companies and individuals in the search for and the acquisition or control of attractive rare earth and specialty metals mineral properties. Our ability to acquire further properties will depend not only on our ability to operate and develop our properties but also on our ability to select and acquire suitable properties or prospects for development or mineral exploration.

In regards to our plan to produce scandium, there are a limited number of scandium producers presently. If we are successful at becoming a producer of scandium, our ability to be competitive with those producers will require that we establish a reliable supply of scandium to the market. In addition, our competitive advantage in delivering a finished metal would only exist if our proprietary scandium recovery and finishing techniques are effective at a commercial level, which currently is unproven.

Employees

As at May 15, 2011, we have 9 full and part time employees and 5 individuals working on a consulting basis. Our operations are managed by our officers with input from our directors. We engage geological, metallurgical, and engineering consultants from time to time as required to assist in evaluating our property interests and recommending and conducting work programs.

ITEM 1A. RISK FACTORS

In addition to the factors discussed elsewhere in this registration statement, the following are certain material risks and uncertainties that are specific to our industry and properties that could materially adversely affect our business, financial condition and results of operations.

Risks Associated with the Springer Project

We may not be able to utilize the Springer Property. The Springer property, which includes an existing mine and refurbished mill facility, constitutes our largest asset. In September of 2008, we suspended work on the Springer property and placed the facility on care and maintenance pending improvement in the global financial markets and strengthening tungsten prices. While tungsten prices have improved, significant additional capital and additional management resources would be required to resume operations. If we make a decision to resume operations on the Springer property such operations will require the location of additional management and additional capital. Our inability to obtain such management and capital will result in the Springer property continuing to be on care and maintenance.

The price of tungsten is subject to significant volatility. If we elect to operate the Springer mine and mill, there is no certainty that economic conditions or tungsten prices will not again deteriorate, and that production at the Springer Mine will need to be again suspended. To the extent tungsten prices may deteriorate after we commence operations, such operations may not be profitable resulting in the closure of the mine and mill, and resulting loss in value of our company to investors.

We may incur a loss if we sell the Springer property. The Springer property has a significant book value on our financial statements. We are currently considering selling the Springer property among other strategic alternatives. There is no assurance that a suitable buyer can be found for the property, or that the terms of such a sale will not result in a financial loss to us. To the extent we cannot find a suitable buyer or other strategic party, we may have to sell the property at a significant loss, resulting in a reduced asset value of the company as a whole, and a reduction in available funds for other corporate purposes. These factors may result in a reduction in the market price of our shares.

Risks Associated with the Nyngan Project

If we are not able to acquire an interest in the Nyngan Project our share price may decline. We are subject to various commitments pursuant to the terms of the Nyngan Exploration Joint Venture Agreement. There is no assurance that we will meet our payment obligations, timing deadlines or otherwise fulfill our commitments under the agreement in order to earn a 50% interest in the Nyngan Joint Venture. If we are unable to meet the requirements to earn a 50% interest, then the project will no longer be available to us. The loss of this project would likely significantly reduce the market price of our shares.

There are technical challenges to scandium production that may render the project not economic.

There is no assurance that we will demonstrate economic viability on the Nyngan resource. The economics of scandium recovery are known to be challenging. There are very few facilities producing scandium and the existing scandium producers are secretive in their techniques for recovery. In addition, the recovery of scandium product from laterite resources, such as at the Nyngan deposit, has not been demonstrated at an operating facility. The Nyngan processing facility design, if constructed, will be the first of its kind for scandium production. These factors increase the possibility that we will encounter unknown or unanticipated production and processing risks. Should any of these risks become actual, they could increase the cost of production thereby reducing margins on the project or rendering the project uneconomic.

There is no guarantee that we will be able to finance the Nyngan Project for production. Any decision to proceed with production on the Nyngan Project will require significant production financing. Scandium projects are very rare, and economic and production uncertainty may limit our ability to attract the required amount of capital to put the project into production. If we are unable to source production financing on commercially viable terms, we may not be able to proceed with the project and may have to write-off our investment in the project.

If we are successful at achieving production, we may have difficulty selling Scandium. Scandium is characterized by unreliable supply, resulting in limited development of markets for scandium oxide. Markets may take longer to develop than anticipated, and Nyngan and other potential scandium producers may have to wait for products and applications to create adequate demand. Certain applications may require lengthy certification processes that could delay usage or acceptance. In addition certain scandium applications require very high purity scandium product, which is much more difficult to produce than lower Grade product. If we commence production, our inability to supply scandium in sufficient quantities, in a reliable and timely manner, and in the correct quality, could reduce the demand for any scandium produced from our projects and possibly render the project uneconomic.

Risks Associated with the Carlin Vanadium Property

There are technical challenges to production of Vanadium from the property that may reduce the value of the property. The Carlin property hosts vanadium contained in a black shale. This vanadium host is known to present challenging processing issues in the separation of vanadium. Techniques to separate vanadium in this environment are complex. As a result, shareholders may never see the property developed due to technical risks, and similarly the value of the property may be greatly reduced if such technical risks present an obstacle to further exploration or development of the property.

Industry requirements may limit market opportunities for vanadium production. New battery technologies are emerging that rely on vanadium, these markets may take longer than expected to develop and increase vanadium demand. These battery technologies require high purity vanadium product, which is difficult and costly to produce. The purity of any vanadium that may in the future be extracted from the Carlin property is unknown and uncertain. The inability to produce vanadium with sufficient purity for market purposes will likely reduce the economic prospects of any proposed development of the property.

General Risks Associated with our Mining Activities and Company

We may not receive permits necessary to proceed with the development of a mining project. The development of any of our properties, including the Nyngan Project, will require numerous local and national government approvals, include environmental permits. Our ability to secure all necessary permits required to develop any of our projects is unknown until we make application for such permits. If we cannot obtain all necessary permits, the project cannot be developed, and our investment in the project will likely be lost. Our future market value will likely be significantly reduced to the extent one or more of our projects cannot proceed to the development or production stage due to an inability to secure all required permits.

Mineral Resource Estimates on our properties are subject to uncertainty and may not reflect what may be economically extracted. Resource estimates included for scandium, tungsten and other minerals on our Nyngan, Springer and Carlin properties are estimates only and no assurances can be given that the estimated levels of tungsten and other minerals will actually be produced or that we will receive the tungsten and other metal prices assumed in determining our resources. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling and exploration results and industry practices. Estimates made at any given time may significantly change when new information becomes available or when parameters that were used for such estimates change. By their nature resource estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. Furthermore, market price fluctuations in scandium, tungsten and other metals, as well as increased capital or production costs or reduced recovery rates, may limit our ability to establish reserves on any of our properties. The extent to which resources may ultimately be reclassified as proven or probable reserves is dependent upon the demonstration of their profitable recovery. The evaluation of reserves or resources is always influenced by economic and technological factors, which may change over time. Accordingly, current resource estimates on our material properties may never be converted into reserves, or be economically extracted, and we may have to write-off such properties or incur a loss on sale of our interest on such properties, which will likely reduce the value of our shares.

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Our potential for a competitive advantage in specialty and rare metals production depends entirely on the availability of our Chief Technology Officer. We are dependent upon the personal efforts and commitment of Willem Duyvesteyn, our CTO, a director and significant shareholder of our company, for the continued development of new extractive technologies related to scandium and other rare and specialty metals production. The loss of the services of Mr. Duyvesteyn will likely limit our ability to use or continue the development of such technologies, which would remove the potential competitive and economic benefit of such technologies, which conceivably could render our planned projects uneconomic if prevailing commodity prices are not sufficiently strong or reliable.

Our operations are subject to losses due to exchange rate fluctuation. We maintain accounts in Canadian and U.S. currency. Our equity financings have to date been priced in Canadian dollars, however all of our material projects and non-cash assets are located outside of Canada and require regular currency conversions to local currencies where such projects and assets are located. Our operations are accordingly subject to foreign currency fluctuations and such fluctuations may materially affect our financial position and results. We do not engage in currency hedging activities.

Without additional funding, we will not be able to carry out our business plan, and if we raise additional funding existing securityholders may experience dilution. As an exploration stage mining company, we do not currently earn any revenue from mining operations on our principal properties. In order to continue our exploration activities and to meet our obligations under our joint venture agreement on the Nyngan Scandium Project, we will need to raise additional funds. Recently, we have relied entirely on the sale of our securities to raise funding for operations. Our ability to continue to raise funds from the sale of our securities is subject to significant uncertainty due to volatility in the mineral exploration marketplace. We may also seek to raise funds from the sale of our Springer Property assets, however our ability to sell these assets and the price at which we may sell these assets is subject to similar market volatility, as well as the number and nature of potential buyers. If we are unable to raise funds from the sale of our securities or our Springer assets, then we likely will not be able to carry out our business plan of achieving Scandium production, or continue exploration activities on our current or future exploration properties. If we are able to raise funds from the sale of our securities, existing securityholders may experience significant dilution of their ownership interests and possibly to the value of their existing securities.

ITEM 2. FINANCIAL INFORMATION

Management s Discussion and Analysis of Financial Conditions and Results of Operations

Overview

We are an exploration stage specialty metals and alloys company focusing on scandium, tungsten, molybdenum, vanadium, and other specialty metals.

Our most advanced asset is the Springer Mine Property, a fully constructed tungsten mine and mill asset in Nevada, USA. The Springer Mine Property is currently not operating, and we are considering options for the property, including a sale.

We hold the right to earn-in to a 50% interest in a joint venture with Jervois Mining Limited for the development of the Nyngan Scandium Project in New South Wales, Australia. We are currently advancing the Nyngan Project as the manager under the joint venture agreement.

We also own the Carlin Vanadium Property, in Nevada, and have recently acquired an option to earn a 100% interest in the Tordal and Evje properties in Norway.

We acquired various metallurgical patents and know-how as part of the acquisition of The Technology Store, Inc. during the prior year. These patents and know-how generally relate to mineral extraction and finishing technologies that may provide us with a competitive advantage in reducing extraction and finishing costs, or improving recoveries and finished product qualities, should we be successful at commencing production of rare earth minerals or specialty metals. We are actively developing and testing scandium production and finishing technology using this know-how, that we intend to apply should we be successful at establishing production at the Nyngan Project.

Our focus during the year was maintaining the Springer Mine Property on standby mode, supported by the efforts of a financial advisor firm seeking interest in the markets for the asset sale. We advanced the Nyngan Project through metallurgical testing, process definition, and optimization work. We also investigated other specialty metals opportunities.

During the year we raised $4,956,421 in gross proceeds from private placements in which a total of 30,252,442 shares were issued.

RESULTS FOR THE YEAR ENDED DECEMBER 31, 2010

Liquidity and Capital Resources

At December 31, 2010, we had a working capital of $3,330,415 including cash of $4,126,424 as compared to a working capital deficiency of $105,183 including cash of $584,436 at December 31, 2009. Also included in working capital, at December 31, 2010, were marketable securities with a market value of $2,250 (December 31, 2009 - $204,582).

During the year ended December 31, 2010, we received cash of $6,068,472 (2009 - $2,210,200) for stock issuances. At December 31, 2010, we had an aggregate 23,792,485 share purchase warrants exercisable, between $0.18 and $2.68 per share which have the potential upon exercise to convert to approximately $44,365,064 in cash over the next two years. Further, a total of 11,473,750 stock options exercisable between $0.10 and $2.15 have the potential upon exercise to generate a total of $2,076,063 in cash over the next five years. There is no assurance that these securities will be exercised.

Our continued development is contingent upon our ability to raise sufficient financing both in the short and long term. There are no guarantees that additional sources of funding will be available to us; however, management is committed to pursuing all possible sources of financing in order to execute our business plan.

Our major capital requirements in the next 12 months relate mainly to the earning our 50% joint venture interest in the Nyngan Project by delivering a feasibility study that will cost an estimated AU$583,000 to produce, and paying an additional $1,300,000 to Jervois within 5 days of delivering the feasibility study.

We are also obligated to repay a $500,000 promissory note issued in to the vendors of TTS in connection with the acquisition of TTS. These commitments total approximately $2,383,000 and it is expected that these commitments will be funded from available cash.

The Company will need additional funding to meet the commitments shown above, and will seek to raise additional equity financing in the short term.

Results of Operations

Quarter ended December 31, 2010

The net loss for the quarter decreased by $13,392,110 to $850,504 from $14,242,614 in the prior year, mainly as a result of us having a lower mineral impairment charge in the current year. Individual items contributing to this decrease are as follows:

Q4 2010 vs. Q4 2009 - Variance Analysis

Item	Variance Favourable / (Unfavourable)	Explanation
Write-off of mineral properties	$16,715,100	We had a lower mineral impairment charge in the current year compared to the prior year. The write down in the current year amounted to a recovery of $5,096 compared to a write off of $16,710,004 in the prior year.
Unrealized income on marketable securities	($1,300,808)	In prior year, we incurred a gain on the unrealized income from marketable securities from adjusting the value of the marketable securities to market. We incurred a loss on disposal of marketable securities in the current year.
Other income	($1,247,928)	We primarily earned sundry revenue in prior year from a gain on transfer of marketable securities occurring from the spin-out of $206,974 and a gain on the settlement of convertible debentures of $1,449,948 partially offset by a recovery of expenses from Golden Predator Corp. in the amount of $357,583, that did not recur.
Future income tax recovery	($1,006,132)	The prior year tax recovery of $1,006,132 resulting from our application of a valuation allowance against future income tax assets not expected to be realized that did not recur in the current year.

General and administrative	$360,391	The favourable variance results from a reduced level of operations in the current year.
Stock-based compensation	$347,592	Recognition of the option expense over the period to the next vesting date. The current expense is lower than in the prior year as a result of fewer options vesting.
Amortization	($288,195)	Amortization of technology patents acquired in the last quarter of 2009 as part of the TTS acquisition. There was no equivalent charge in the same quarter of the prior year, hence the unfavourable variance.

Q4 2010 vs. Q4 2009 - Variance Analysis		
Item	**Variance Favourable / (Unfavourable)**	**Explanation**
Interest expense	($117,185)	Interest expense in the current quarter is attributable to the promissory notes in respect of the TTS and Cosgrave acquisitions. The Cosgrave property interest expense was offset by interest revenue in the same quarter of prior year.
Loss on sale of marketable securities	($70,583)	We incurred a loss on the sale of marketable securities in the current year.
Salaries and benefits	$43,206	The positive variance results from a lower headcount in the current period due to lower levels of activity than in the prior year.
Foreign exchange gain	($30,150)	The gain or loss results mainly from the conversion of US monetary item balances to CAD for reporting purposes.
Disposition of assets	$28,792	We sold a vehicle for a gain.
Consulting	$25,692	The savings compared to the prior year results from our efforts to reduce operations and preserve capital.
Insurance	$10,005	We commissioned a risk survey, the results of which enabled a reduction in the insured amount of the Springer Mill resulting in lower premiums in the current year.
Other variances under $5,000	($1,242)	Includes favourable variances on professional fees, offset by unfavourable variances on travel.

Cash flow discussion for the Quarter ended December 31, 2010 compared to December 31, 2009

The cash outflows from operating activities decreased by $1,621,630 to $1,035,906 (2009 $2,657,536) due to a reduction in activity.

Cash outflows from investing activities increased by $720,933 to $793,771 (2009 $72,838) due mainly to cash paid for a subsidiary.

Cash inflows from financing activities increased by $4,460,993 to $5,973,627 (2009 - $1,512,634) due mainly to the completion of two private placements and the exercise of stock options and warrants.

Results of Operations for the Year ended December 31, 2010

The net loss for the year decreased by $16,922,826 to $4,722,755 from $21,645,581 in the prior year, mainly as a result of us having a lower mineral impairment charge than in prior year. Individual items contributing to this decrease are as follows:

2010 vs. 2009 - Variance Analysis		
Item	**Variance Favourable / (Unfavourable)**	**Explanation**
Write-off of mineral properties	$15,639,897	We wrote down our gold and silver properties to fair market value in the prior year.
Stock-based compensation	$1,020,583	Recognition of the option expense over the period to the next vesting date. The current expense is lower than in the prior year as a result of fewer options vesting.
Foreign exchange gain	($604,773)	Results mainly from the conversion of US monetary item balances to CAD for reporting purposes. The current year gain amounts to $205,218 compared to a gain of $809,991 in the prior year.
Salaries and benefits	$413,718	The positive variance results from a lower headcount in the current period due to lower levels of activity than in the prior year.
Interest expense	($366,921)	Interest expense in the current year is attributable to the promissory notes in respect of the TTS and Cosgrave acquisitions. The Cosgrave property interest expense was offset by interest revenue in the same prior year.
General and administrative	$329,622	The favourable variance results from a reduced level of operations in the current year.
Exploration costs	($119,712)	Increased work done on Nyngan Project.
Amortization	$173,468	Amortization of our assets.
Professional fees	$159,188	Prior year s costs related to the spin-out of Golden Predator Corp. that did not recur in the current year.

Consulting	$156,604	The savings compared to the prior year results from our efforts to reduce operations and preserve capital.

2010 vs. 2009 - Variance Analysis		
Item	**Variance Favourable / (Unfavourable)**	**Explanation**
Insurance	$153,684	We commissioned a risk survey, the results of which enabled a reduction in the insured amount of the Springer Mill resulting in lower premiums in the current year.
Loss on sale of marketable securities	($70,583)	We incurred a loss on the sale of marketable securities in the current year.
Other income	($60,457)	We earned sundry revenue from the spin-out from Golden Predator Corp. in the prior year that did not recur.
Disposition of assets	$39,792	A gain of $37,256 from the disposition of assets as compared to a loss of $2,536 in the prior year.
Travel and entertainment	$36,725	The favourable variance results from a reduced level of operations in the current year.

Cash flow discussion for the year ended December 31, 2010 compared to December 31, 2009

The cash outflow from operating activities decreased by $1,426,201 to $1,688,506 (2009 $3,114,707) due to a reduction in activity.

Cash outflows from investing activities increased by $603,964 to $837,978 (2009 - $234,014) due mainly funds paid for the acquisition of TTS and an increase in expenditures on mineral interests.

Cash inflows from financing activities increased by $3,858,272 to $6,068,472 (2009 - $2,210,200) as a result of us raising funds from private placements during the year and cash received from the exercise of stock options and warrants.

Summary of quarterly results

	2010				**2009**			
	Q4	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
Net Sales	-	-	-	-	-	-	-	-
Net Income (Loss)	(1,341,524)	(1,514,237)	(1,148,938)	(718,056)	(11,311,117)	(548,203)	(725,249)	(9,061,012)
Basic and diluted Net Income (Loss) per share	(0.01)	(0.01)	(0.01)	(0.01)	(0.14)	(0.01)	(0.01)	(0.01)

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The net loss in the third quarter of 2010 and the fourth quarter of 2009 relates mainly to the write-down of mineral interests. There was a foreign exchange loss in the first quarter of 2009 of $7,918,977 that reversed itself to a gain of $809,991 by the end of the fourth quarter.

Financial Position

Cash

The increase in cash of $3,541,988 to $4,126,424 (2009 - $584,436) results from proceeds from private placements and warrant and option exercises.

Marketable securities

Marketable securities decreased by $202,332 to $2,250 (2009 - $204,582) due to us transferring our shares in GPD to GPD as part of a loan repayment.

Subscription receivable

Subscription receivable of $210,249 (2009 - $Nil) is from subscriptions received for the most recent private placement.

Property, plant and equipment

Property plant and equipment consists of land and water rights in Nevada, the Springer plant and equipment, and various other items of property plant and equipment. The decrease of $540,650 to $34,289,873 at December 31, 2010 (2009 - $34,830,523) is due to amortization and the sale of a software asset and vehicle in the year.

Mineral interests

Mineral interests have decreased by $1,043,173 to $503,020 at December 31, 2010 (2009 - $1,546,193) and consist mainly of the Springer Mine Property, and also gold, silver, and vanadium properties.

Current liabilities

Current liabilities have decreased by $28,371 to $1,141,590 at December 31, 2010 (2009 $1,169,961) due to the payment of amounts accrued for the TTS acquisition and a general reduction in activity which has been partially offset by advances from a related party.

Promissory note payable (current and long-term)

The promissory note payable decreased by $221,240 to $4,250,000 (2009 - $4,471,240) which is attributable to a change in foreign exchange on conversion of the United States dollars designated promissory notes to Canadian dollars for reporting purposes.

Capital Stock

Capital stock increased by $6,248,914 to $88,138,487 (2009 - $81,889,573) as a result of the completion of private placements for aggregate proceeds of $4,746,172 and the exercise of warrants and stock options for total proceeds of $1,322,300.

Additional paid-in capital increased by $1,023,734 to $2,003,345 (2009 - $979,611) as a result of stock options issued and adjustments due to the exercise of stock options.

Liquidity and Capital Resources

At December 31, 2010, we had working capital of $3,330,415 including cash of $4,126,424 as compared to a working capital deficiency of $105,183 including cash of $584,436 at December 31, 2009. Also included in working capital, at December 31, 2010, were marketable securities with a market value of $2,250 (December 31, 2009 - $204,582).

During the year ended December 31, 2010, we received cash of $6,068,472 (2009 - $2,210,200) for stock issuances. At December 31, 2010, we had an aggregate 23,792,485 share purchase warrants exercisable, between $0.18 and $2.68 per share which have the potential upon exercise to convert to approximately $44,365,064 in cash over the next two years. Further, a total of 11,473,750 stock options exercisable between $0.10 and $2.15 have the potential upon exercise to generate a total of $2,076,063 in cash over the next five years. There is no assurance that these securities will be exercised.

Our continued development is contingent upon our ability to raise sufficient financing both in the short and long term. There are no guarantees that additional sources of funding will be available to us; however, management is committed to pursuing all possible sources of financing in order to execute our business plan.

Off-balance sheet arrangements

At December 31, 2010, we had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to us.

Subsequent events

Subsequent to December 31, 2010, we:

a) issued 300,000 stock options with an exercise price of $0.39 exercisable until January 18, 2013 to our employees;

b) issued 1,075,000 Common Shares on the exercise of share purchase warrants for gross proceeds of $267,625;

c) issued 250,000 Common shares on the exercise of stock options for gross proceeds of $40,000; and

d) entered into an option agreement with REE Mining AS of Norway, providing an option to earn 100% of the outstanding common shares in the capital of a Norwegian limited liability company which holds the exploration rights to two pegmatite properties, known as the Tordal property and the Evje property. The option may be exercised to earn a 60% of the Norwegian limited liability company by paying USD$430,000 by October 31, 2012, and funding USD$250,000 in exploration expenditures on the properties by September 30, 2012. Thereafter we may earn the remaining 40% by paying USD$200,000 by March 31, 2013; and issuing 1,000,000 of our common shares by March 31, 2013.

RESULTS FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2011

Operating results-Revenues and Expenses

We continued tight cost management at the Springer facility. We continued to fulfill our commitments in respect of the Nyngan Joint Venture with Jervois Mining Limited, focusing development expenditure in the quarter on this project.

Results of Operations for the quarter ended March 31, 2011

The net loss for the quarter decreased by $370,606 to $347,450 from $718,056 in the prior year, mainly as a result of reduced general and administrative and foreign exchange costs. Individual items contributing to this increase are as follows:

Q1 2011 vs. Q1 2010 - Variance Analysis

Item	Variance Favourable / (Unfavourable)	Explanation
Change in fair value of derivative liability	$251,615	As the warrants the derivative liability related to expired, the change in value to $Nil was put through the statement of operations.
Foreign exchange gain	($115,959)	The gain or loss results mainly from the conversion of US monetary item balances to CAD for reporting purposes.
Stock-based compensation	$94,232	Relates to the fair value of stock options granted in the quarter.
General and administrative	$66,733	The favourable variance results from a reduced level of operations in the current year.
Interest expense	$45,583	Interest expense in the current quarter is attributable to the promissory notes in respect of the TTS and Cosgrave acquisitions. The Cosgrave property interest expense was offset by interest revenue in the same quarter of prior year.
Exploration	($42,240)	Increased exploration work done on mineral properties as compared to prior year.
Salaries	($38,131)	Increased activity in the quarter as compared to prior year.

Amortization	$38,067	Some assets fully depreciated in prior year resulting in reduced amortization in the current year.

Q1 2011 vs. Q1 2010 - Variance Analysis

Item	Variance Favourable / (Unfavourable)	Explanation
Professional fees	$34,222	Professional fees have decreased and salaries have increased as we have more in-house staff working for us than in the prior year.
Consulting	($31,499)	Primarily relates to consulting fees from our current CEO.
Insurance	$22,495	We commissioned a risk survey, the results of which enabled a reduction in the insured amount of the Springer Mill resulting in lower premiums in the current year.
Travel	($22,031)	Increased travel in relation to investor relations.

Cash flow discussion for the Quarter ended March 31, 2011 compared to March 31, 2010

The cash outflow from operating activities decreased by $647,931 to $431,143 (2010 $1,079,074) due to an increase in payables as compared to a material reduction in prior year.

Cash outflows from investing activities increased by $20,548 to $20,548 (2010 - $Nil) due mainly to a large deposit made in prior year that was not repeated this year.

Cash inflows from financing activities decreased by $544,050 to $310,625 (2010 - $854,675) as in the prior year we raised funds from a private placement during the quarter.

Summary of quarterly results

	2011	2010				2009		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Net Sales	-	-	-	-	-	-	-	-
Net Income (Loss)	(347,450)	(1,341,524)	(1,514,237)	(1,148,938)	(718,056)	(11,311,117)	(548,203)	(725,249)
Basic and diluted Net Income (Loss) per share	0.00	(0.01)	(0.01)	(0.01)	(0.01)	(0.14)	(0.01)	(0.01)

The net loss in the third quarter of 2010 and the fourth quarter of 2009 relates mainly to the write-down of mineral interests.

Financial Position

Cash

The decrease in cash of $141,066 to $3,985,358 (December 31, 2010 - $4,126,424) results from proceeds from warrant and option exercises offset by operating cash outflows in the period, as per the Cash flow discussions above.

Marketable securities

Marketable securities is unchanged at $2,250 (December 2010 - $2,250).

Property, plant and equipment

Property plant and equipment consists of land and water rights in Nevada, the Springer plant and equipment, and various other items of property plant and equipment. The decrease of $68,090 to $34,221,783 (December 2010 - $34,289,873) is due to amortization.

Mineral interests

Mineral interests of $503,020 (December 31, 2010 - $503,020) consist mainly of the Springer property, and also scandium and vanadium properties.

Accounts Payable

Accounts Payable has increased by $38,766 to $451,615 (December 2010 $412,849) due to a general increase in activity.

Derivative liability

Derivative liability of $Nil (December 2010 $228,741) was reduced to $Nil as the warrants they related to expired.

Promissory note payable current portion

The current promissory note payable decreased by $13,885 to $486,115 (December 31, 2010 - $500,000) which is attributable to a change in foreign exchange on conversion of the USD designated promissory notes to CAD for reporting purposes.

Promissory note payable long-term portion

The long-term promissory note payable decreased by $104,137 to $3,645,863 (December 31, 2010 - $3,750,000) which is attributable to a change in foreign exchange on conversion of the USD designated promissory notes to CAD for reporting purposes.

Capital Stock

Capital stock increased by $319,833 to $88,458,320 (December 31, 2010 - $88,138,487) as a result of the exercise of warrants and stock options for total proceeds of $310,625.

Additional paid-in capital increased by $58,524 to $2,061,869 (December 31, 2010 - $2,003,345) as a result of stock options issued and adjustments due to the exercise of stock options.

Liquidity and Capital Resources

At March 31, 2011, we had working capital of $3,325,275 including cash of $3,985,358 as compared to a working capital of $3,330,415 including cash of $4,126,424 at December 31, 2010. Also included in working capital, at March 31, 2011, were marketable securities with a market value of $2,250 (December 31, 2010 - $2,250).

During the three month period ended March 31, 2011, we received cash of $310,625 (2010 - $854,675) for stock issuances. At March 31, 2011, we had an aggregate 20,392,572 share purchase warrants exercisable, between $0.18 and $2.68 per share which have the potential upon exercise to convert to approximately $43,404,965 in cash over the next two years. Further, a total of 11,508,750 stock options exercisable between $0.10 and $2.15 have the potential upon exercise to generate a total of $2,146,313 in cash over the next five years. There is no assurance that these securities will be exercised.

Our continued development is contingent upon our ability to raise sufficient financing both in the short and long term. There are no guarantees that additional sources of funding will be available to us; however, management is committed to pursuing all possible sources of financing in order to execute our business plan. We continue our cost cutting measures to conserve cash to meet our operational obligations.

Our major capital requirements in the next 12 months relate mainly to the earning our 50% joint venture interest in the Nyngan Project by delivering a feasibility study that will cost an estimated AU$583,000 to produce, and paying an additional $1,300,000 to Jervois within 5 days of delivering the feasibility study.

We are also obligated to repay a $500,000 promissory note issued in to the vendors of TTS in connection with the acquisition of TTS. These commitments total approximately $2,383,000 and it is expected that these commitments will be funded from available cash.

The Company will need additional funding to meet the commitments shown above, and will seek to raise additional equity financing in the short term.

Off-balance sheet arrangements

At March 31, 2011, we had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to us.

ADDITIONAL INFORMATION AND ACCOUNTING PRONOUNCEMENTS

Outstanding share data

At May 20, 2011 we had 150,384,412 issued and outstanding common shares, 12,378,750 outstanding stock options at a weighted average exercise price of $0.19, and 20,392,572 outstanding warrants at a weighted average exercise price of $2.13.

Critical Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting policies requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These

estimates are based on past experience, industry trends and known commitments and events. By their nature, these estimates are subject to measurement uncertainty and the effects on the financial statements of changes in such estimates in future periods could be significant. Actual results will likely differ from those estimates.

Stock-based compensation

We use the Black-Scholes option pricing model to calculate the fair value of stock options and compensatory warrants granted. This model is subject to various assumptions. The assumptions we make will likely change from time to time. At the time the fair value is determined, the methodology that we use is based on historical information, as well as anticipated future events. The assumptions with the greatest impact on fair value are those for estimated stock volatility and for the expected life of the instrument.

Deferred income taxes

We account for tax consequences of the differences in the carrying amounts of assets and liabilities and our tax bases using tax rates expected to apply when these temporary differences are expected to be settled. When the deferred realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the potential future benefit is taken and no future income tax asset is recognized. We have taken a valuation allowance against all such potential tax assets.

Mineral properties and exploration and development costs

We capitalise the costs of acquiring mineral rights at the date of acquisition. After acquisition, various factors can affect the recoverability of the capitalized costs. Our recoverability evaluation of our mineral properties and equipment is based on market conditions for minerals, underlying mineral resources associated with the assets and future costs that may be required for ultimate realization through mining operations or by sale. We are in an industry that is exposed to a number of risks and uncertainties, including exploration risk, development risk, commodity price risk, operating risk, ownership and political risk, funding and currency risk, as well as environmental risk. Bearing these risks in mind, we have assumed recent world commodity prices will be achievable. We have considered the mineral resource reports by independent engineers on the Springer and Nyngan projects in considering the recoverability of the carrying costs of the mineral properties. All of these assumptions are potentially subject to change, out of our control, however such changes are not determinable. Accordingly, there is always the potential for a material adjustment to the value assigned to mineral properties and equipment.

Recent Accounting Pronouncements

In April 2010, the Financial Accounting Standards Board (**FASB**) issued ASU 2010-13, Compensation Stock Compensation (Topic 718), amending ASC 718. ASU 2010-13 clarifies that a stock-based payment award with an exercise price denominated in the currency of a market in which the entity s equity securities trade should not be classified as a liability if it otherwise qualifies as equity. ASU 2010-13 also improves US GAAP by improving consistency in financial reporting by eliminating diversity in practice. ASU 2010-13 is effective for interim and annual reporting periods beginning after December 15, 2010 (January 1, 2011 for us). We are currently evaluating the impact of ASU 2010-09, but do not expect its adoption to have a material impact on our financial reporting disclosures.

In December 2010, the FASB issued ASU 2010-29, which contains updated accounting guidance to clarify the acquisition date that should be used for reporting pro forma financial information when comparative financial statements are issued. This update requires that we should disclose revenue and earnings of the combined entity as though the business combination(s) that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only. This update also requires disclosure of the nature and amount of material, nonrecurring pro forma adjustments. The provisions of this update, which are to be applied prospectively, are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010, with early adoption permitted. The impact of this update on our consolidated financial statements will depend on the size and nature of future business combinations.

Financial instruments and other risks

Our financial instruments consist of cash, investments in trading securities, subscriptions receivable, receivables, accounts payable and accrued liabilities, due to related parties, and promissory notes payable. It is management's opinion that we are not exposed to significant interest, currency or credit risks arising from our financial instruments. The fair values of these financial instruments approximate their carrying values unless otherwise noted. We have our cash primarily in one commercial bank in Vancouver, British Columbia, Canada.

ITEM 3. PROPERTIES

Cautionary Note To U.S. Investors Regarding Resource Estimates

Certain terms used in this section are those used in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of U.S. securities laws. Canadian requirements, including NI 43-101, differ significantly from the requirements of the SEC, and resource information contained herein may not be comparable to similar information disclosed by U.S. companies.

In particular, and without limiting the generality of the foregoing, the term resource does not equate to the term reserves . The requirements of NI 43-101 for identification of reserves are not the same as those of the SEC, and reserves reported in compliance with NI 43-101 may not qualify as reserves under SEC standards. Under U.S. standards, mineralization may not be classified as a reserve unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made.

The SEC s disclosure standards normally do not recognize information concerning measured mineral resources , indicated mineral resources or inferred mineral resources or other descriptions of the amount of mineralization in mineral deposits that do not constitute reserves by U.S. standards, in documents filed with the SEC. In addition, resources that are classified as inferred mineral resources have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimated inferred mineral resources may not generally form the basis of feasibility or pre-feasibility studies. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable.

Disclosure of contained ounces in a resource is permitted disclosure under Canadian regulations, however, the SEC normally only permits issuers to report mineralization that does not constitute reserves by SEC standards as in-place tonnage and grade without reference to unit measures.

Accordingly, information concerning mineral deposits set forth herein may not be comparable with information presented by companies using only U.S. standards in their public disclosure.

Description of Mineral Projects

SPRINGER MINE PROPERTY

Our principal asset is the Springer mine property, a former tungsten producing operation located in Imlay, Nevada, wholly owned by us through a subsidiary, Springer Mining Company, a Nevada corporation. The Springer Mine Property represents a completed mine, mill, and production complex which was operated briefly by Utah International Inc. for the General Electric Company from 1980 to 1981. The Springer Mine was closed in 1982 due to low tungsten prices. The facilities have been held on care and maintenance since that time, however significant investments by us have been made to the facilities in recent years and operations at the mine and mill facility could be restarted relatively quickly.

At the time that we placed the facility on care and maintenance, work was nearly complete to make the primary milling and flotation circuits in the Springer mill fully operational. Work remaining to make the tungsten processing facility fully operational includes the addition of a gravity circuit, addition and installation of a molybdenum flotation/recovery circuit, certain modifications to the existing flotation circuits, and completion of the installation of new automatic controls throughout the mill. Metallurgical testing by EMC Metals has shown that the process design is capable of producing a saleable scheelite concentrate product containing in excess of 65% tungsten oxide (WO_3). The test work utilizes a combination of gravity separation and flotation. Additional work has been conducted to expand the mill capacity from the original design of 1,000tpd up to 1,200tpd. This work is approximately 85% complete.

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We are currently evaluating alternatives for the sale of the Springer Mine assets in light of the recent improvement in the market for tungsten.

Property Description and Location

The Springer Mine Property is located approximately 25 miles southwest of the city of Winnemucca, in Pershing County, Nevada, and approximately 125 miles northeast of Reno, Nevada (see Figure 1). The mine has year around access by a gravel road in fair condition. The mine site is located at geographic coordinate s 40°46 56 N. latitude and 118°07 58 W longitude, (UTM coordinates are 4,515,212N and 404,438W, Zone 11, WGS84).

Figure 1: Location of Springer Property, Copper King Property, and Carlin Vanadium Property

Ownership

The Springer Facility is 100% owned by our wholly owned subsidiary, Springer Mining Company. It is comprised of 340 Lode mineral claims totalling approximately 7,024 acres, 25 placer claims totalling approximately 500 acres and fee lands totalling approximately 3,756 acres. The total area of the Springer Facility is approximately 11,280 acres, including all mineral claims and fee lands. The mineral resources described in this report are located entirely on private fee lands.

Geology and Mineralization

The Springer Facility is located on the eastern flank of the Eugene Mountains, a block-faulted horst of the Basin and Range tectonic province. The area is underlain by Mesozoic, metasedimentary rocks intruded by Cretaceous granitic rocks, which were later overlain by Tertiary Volcanic rocks. The meta-sedimentary rocks are composed of pelitic Sediments with thin beds of micritic limestone. These limestone beds host scheelite-bearing, contact metasomatic skarn deposits. These are arranged in two general horizons each with several individual beds. The horizons Strike north-northeast and Dip steeply to the northwest and to the southeast. Scheelite is the only tungsten mineral identified in the skarns. It occurs in early veins and as finely disseminated grains along localized marble fronts. It is also associated with later alteration of garnet and pyroxene, where it occurs as coarse-grained aggregates and fine to medium-grained, euhedral dipyramidal crystals.

Historical Work

There were three main phases of exploration work conducted on the Springer Facility by three different owner/operators. These exploration periods include:

I. Exploration drilling and underground sampling by Nevada-Massachusetts Corporation (NMC) between 1925 and 1958;

II. Exploration drilling and underground channel sampling completed by General Electric (GE) and Utah International Inc (UII between during 1973 and 1982); and

III. Diamond drilling and reverse circulation drilling completed by EMC Metals in 2007 and 2008.

The NMC exploration work focused mainly within the mineralized beds located at the Stank and Springer-Humboldt Mines. No specific NMC sample or Assay data of from any of the drifting, mining or drilling is available for any of these areas.

The exploration drilling and sampling completed by GE and UII focused primarily on the Sutton I and Sutton II areas of the property. The vast majority of the modern exploration data was collected during this phase of work. GE and UII compiled most of the older NMC data, rehabilitated the historic underground workings, drilled 119 diamond Core holes from surface and underground, extended the underground workings and analyzed approximately 3,200 samples.

We completed the most recent exploration work in 2007 and 2008. During this time, seven diamond Core and 251 reverse circulation (RC) drill holes were completed in three main areas. We drilled 81 holes in the George beds, 79 holes in the Mill Beds and 51 holes in the Sutton I Beds. All of this drilling focused on near surface Mineralization in order to evaluate the open pit potential. A few diamond Core holes were located in the Sutton II areas for confirmation and expansion of the historical resources.

Prior to the decline of tungsten prices in 2008, the Springer mill had been the focus of an aggressive rehabilitation and expansion program by us over two years. Work is nearly complete to make the primary milling and flotation circuits fully operational. The necessary equipment and supplies to complete these circuits are on site. Work remaining to make the tungsten processing facility fully operational includes the addition of a gravity circuit, addition and installation of a molybdenum flotation/recovery circuit, certain modifications to the existing flotation circuits, and completion of the installation of new automatic controls throughout the mill.

Metallurgical testing by EMC Metals has shown that the process design is capable of producing a saleable scheelite concentrate product containing in excess of 65% tungsten oxide (WO_3). The test work utilizes a combination of gravity separation and flotation.

Additional work has been conducted to expand the mill capacity from the original design of 1,000tpd up to 1,200tpd. This work is approximately 85% complete.

Mineral Resources

A resource estimate on the property was prepared in 2009 and contained in a report titled, *NI 43-101 Technical Report on Resources EMC Metals Corp., Springer Facility Sutton Beds, Nevada, USA* . The report was completed by Bart Stryhas (Ph.D., C.P.G.) of SRK Consulting Engineers and Scientists. Results of the resource estimate are shown in Table 1 below.

Table 1

Springer Project NI 43-101 Resource Estimation				
Resource Category	**Cut-off WO_3%**	**Total Tonnes (kt)**	**Grade WO_3%**	**Contained WO_3 (Mlbs)**
Indicated	0.30	274	0.619	3.392
Inferred	0.30	1,097	0.562	12.330

The resource calculation is based on drill hole database consisting of 377 drill holes for a total of 144,171 meters of drilling. The maximum depth of 255 meters and an average depth of 124 meters and approximately 50% of the drill holes were used in the resource estimation. The grade estimate was completed using the inverse distance squared weighting algorithm. A specific gravity of 3.02g/cm3 was used for all mineralized material for this resource estimation.

The resource estimation is based on a generalized geologic model consisting of just one mineralized rock type, namely the tungsten skarn, which occurs in four distinct beds. These have a sheet-like geometry, which ranges from 1.0 to 10.0 feet thick with an approximate average of about 3.0 feet. They Strike north to northeast and Dip nearly vertical.

The grade estimate was completed using the inverse distance squared weighting algorithm, conducted in two passes. The first required a minimum of three and maximum of 12 samples, which were less than 50 feet from the block centroids. The second pass only considered unestimated blocks and required a minimum of one and maximum of 12 composites, which were less than 350 feet away from the block centroids. The raw drill hole Assay data was composited into lengths equal to the original sample and capped at 4% WO_3. During the estimation process, the composites were length-weighted to accommodate for differing sample lengths.

Three techniques were used to evaluate the validity of the block model. First, the interpolated block Grades were visually checked on sections for comparison to the composite assay grades. Second, statistical comparisons were made between the interpolated block grades and composite data within each bed. Third, swath plots were generated to compare model blocks and composite grades at regular section spacing through the deposit.

The resource classification was based on solid shapes constructed around the parts of the beds where most drill holes are spaced approximately 100 feet or less apart and where abundant channel samples were taken. All blocks located within these solids were classified as indicated resource. All blocks located outside of these areas, about the periphery of the drilling were classified as inferred resource.

The mineral resource statement of the Springer Project- Sutton I and II areas is presented in Table 1. The mineral resource estimates prepared in accordance with NI 43-101, which incorporate the Canadian Institute of Mining, Metallurgy and Petroleum Best Practices and Reporting Guidelines classified indicated mineral resource of 274kt of material grading 0.62% WO_3 and an additional inferred mineralresource of 1.1 Metric tons of material grading 0.56% WO_3 both using a 0.30% WO_3 cut-off. The qualityof the exploration data is very good and the mineral resource was classified mainly according to the general sample spacing. The 0.30% WO_3 cut-off Grade was chosen for resource reporting based on an approximated mining cost of $40/t, processing cost of $17/ton, administration cost of $13/ton, mill recovery of 82% and a WO_3 price of $11.50per pound. The results reported in the resource statement have been rounded to reflect the approximation of Grade and quantity, which can be achieved at this level of resource estimation.

NYNGAN SCANDIUM PROJECT

The primary focus of our business operations is conducting additional exploration and technical work and analyses on the Nyngan scandium resource as required to complete a feasibility study in accordance with the terms of our earn-in agreement with Jervois Mining Limited (see above under Item 1. BUSINESS Recent History - Exploration Joint Venture with Jervois Mining Limited, for additional information). Following is a technical summary of the Nyngan Project.

Property Description and Location

The Nyngan scandium resource, which is sometimes also referred to as the Nyngan Gilgai scandium deposit, in reference to the Gilgai geologic formation in the region, lies 20 kilometers almost due west of the town of Nyngan, approximately 450 kilometers northwest of Sydney, New South Wales, Australia. The deposit occurs 5 kilometers south of Miandetta, off the Barrier Highway that connects the town of Nyngan to the town of Cobar. The location of the property is provided in Figure 2 below. The location of the exploration licenses that we may earn an interest in are provided in Figure 3 below.

Figure 2: Location of Nyngan Project

Figure 3: Location of the Exploration Licenses

Ownership

The Nyngan scandium mineral resource is 100% under license by Jervois Mining Limited. The land on which the resource is located was purchased by Jervois Mining Limited for the development of this resource. The mineral resource described in this report is entirely on land owned by Jervois Mining Limited and under a current exploration license held by Jervois Mining Limited. Access to the mine area through private land is under negotiation with relevant land owners.

Geology and Mineralization

The area is dominated by Cainozoic alluvial plains derived from the Darling River Basin with minor colluvium and Outcrop. The region is situated on the shallow southern margin of the Surat Basin, known as the Coonamble Embayment. There is evidence of varying degrees of lateritisation in the area. The Nyngan complex is covered by 8 to 50 meters of alluvial material.

The Nyngan Intrusive complex, which is believed to be the source of the scandium, nickel, cobalt and PGMs in the regolith, is an Alaskan-type ultramafic complex made up of a range of rock types including hornblende monzonite, hornblendite, pyroxenite, olivine pyroxenite to dunite-peridotites, and is believed to be of Ordovician age. The Intrusives are included within the Fifield Platinum Province .

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Historical Work

In the late 1980's Lachlan Resources N.L., as manager for Platinum Search NL, explored for platinum group elements (PGE) Mineralization in the area using rotary air blast (RAB) and Diamond drilling. Airborne and ground magnetic surveys were used to locate and delineate an Intrusive ultramafic complex considered prospective for PGE Mineralization. In 2001 two further traverses of reverse circulation (RC) drilling were undertaken. Jervois Mining Limited continued drilling in the area in January and February of 2006, completing an aircore drilling program of 2,638 meters and 69 holes on the property (EL 6009). The drilling targeted a laterite that had previously been explored by Platsearch. Since the 2006 program a further 9 holes, for an additional 316 meters of drilling, were completed. Total drilling by Jervois Mining Limited was 78 holes for 2,954 meters.

Mineral Resource

In 2010 a NI 43-101 technical report which outlined a resources estimate on the Nyngan Scandium Project was completed. The report, titled, *NI 43-101 Technical Report on the Nyngan Gilgai Scandium Project, Jervois Mining Limited, Nyngan, New South Wales, Australia* , was prepared by Sanja Van Huet (PhD, Msc), Duncan C. Pursell (BSc) and Max Rangott (BSc). The resource estimate is shown in Table 2 below.

Table 2

Nyngan Gilgai Scandium Project Resource Estimation				
Resource Category	**Cut off Sc (ppm)**	**Total Tonnes (kt)**	**Grade Sc (ppm)**	**Overburden Ratio**
Measured	100	2,718	274	0.81:1
Indicated	100	9,294	258	1.40:1
Total	100	12,012	261	1.10:1

Jervois drilling program in 2006 involved 50 meter spaced RC percussion and aircore drill holes (25 meter sphere of influence for each hole) chosen over shallow overburden and visual quality of the limonite horizon. The resources have been calculated by plan polygonal methods for each of the four resource lithological categories hematite, limonite, saprolite and bedrock. The volume of each block is the polygonal area times drill thickness. A minimum of 2 meters thickness has been used. An arbitrary lower cut-off Grade of 100ppm Sc has been employed. The density calculations are based on the weight of the samples produced from the drill holes. The drillhole diameter in this program was 3½ inches (or 0.0889 meters). Thus the volume of 1 meter drilled is 0.006207167 cubic meters. This factor has been applied to each intersection within the resource calculations to obtain an in situ density for each lithology.

To obtain the rock densities an adjustment has been made by making a moisture content correction. The parent rocks are slightly different in density; the pyroxenite approximately 3.2 t/m3 and the serpentinite approximately 2.2t/m3. The parent density figures may be ambiguous because the lateritisation weathering process is not the same for the two rock types. The density figures quoted are on the conservative side. Using the above parameters, the resource figures below have been calculated from the results of the recent drilling:

2006 Drill Program

Jervois drilling program in 2006 involved 50-meter spaced RC percussion and aircore drill holes (a 25-meter sphere of influence for each hole) chosen over shallow overburden and visual quality of the limonite horizon. The resources were calculated by plan polygonal methods for each of the four resource lithological categories hematite, limonite, saprolite and bedrock. The volume of each block is the polygonal area times drill thickness. A minimum of 2 meters

thickness was used. An arbitrary lower cutoff Grade of 100ppm Sc was employed. The density calculations are based on the weight of the samples produced from the drill holes. The drillhole diameter in this program was 3½ inches (or 0.0889 meters). Thus the volume of 1 meter drilled is 0.006207167 cubic meters. This factor was applied to each intersection within the resource calculations to obtain an in situ density for each lithology.

To obtain the rock densities an adjustment has been made by making a moisture content correction. The parent rocks are slightly different in density; the pyroxenite approximately 3.2 t/m3 and the serpentinite approximately 2.2t/m3. The parent density figures may be ambiguous because the lateritisation weathering process is not the same for the two rock types. The density figures quoted are conservative. Using the above parameters, the resource figures below ere calculated from the results of the drill programs:

Current Program

Together with Jervois, we have set the following targets for the Nyngan Scandium Project:

1. Completion of an independently prepared engineering feasibility study on or before the deadline date of February 2012, as specified in the Exploration Joint Venture Agreement. We have engaged SNC-Lavalin in Australia to prepare the feasibility study. .

2. Subject to financing and completion of the feasibility study, the design, engineering and construction of a 250 tonne per day commercial plant producing from 28 tonnes of scandium oxide per year at 99.9% purity, with a start-up in 2013.

Exploration activities on the Nyngan Project are essentially completed, and we are now focussing on developing a detailed mine and processing facility plan, including preparing an Environmental Impact Statement required for the granting of a mining permit. In addition we will focus on pre-feasibility study work on the project, in support of the feasibility study, as well as independent metallurgical test work to be conducted by research laboratories in the U.S. using mineralized material shipped from the Nyngan project.

CARLIN VANADIUM PROPERTY

We have a 100% interest in 72 unpatented mineral claims comprising the Carlin Vanadium Property, in Elko County, Nevada. The property was explored by Union Carbide in the 1960 s. We have not performed any exploration on this property, however in 2010 we commissioned SRK Consulting of Lakewood, Colorado to prepare a technical report in the form required under NI 43-101.

Property Description and Location

The Carlin Vanadium Property consists of 72 unpatented mining claims covering 1,140 acres. The property was explored and drilled by Union Carbide Corporation in the late 1960 s resulting in a defined vanadium resource. The claim group is located in North-Central Nevada in Elko County, 7 air miles south of Carlin. The vanadium resource is centered about UTM Zone 11N geographical coordinates 574,328E, 4,495,637N (Lat 40°36 29 N, Long 116°07 17 W). Carlin, with a population of 2,500 is the largest town in the area. See figure 1 above for a location map of the property.

Geology and Mineralization

The Carlin Vanadium Property is located on the western flank of the Piñon Range, a block faulted horst of the basin and range tectonic province. The local lithologies are predominantly Paleozoic age, western assemblage, siliceous rocks transported above the Roberts Mountain Thrust. These are overlain by Tertiary age Rhyolite flows and Pliocene lake Sediments. The mineralized zones are certain stratigraphic sections of the Woodruff Formation hosting elevated concentrations of vanadium. There do not appear to be any physical markers in the lithology which indicate areas of Mineralization. All the mineralized zones are defined by chemical analysis. The Mineralization is stratigraphically controlled and appears to follow the Strike and Dip of the host lithology. Drilling to date has defined a zone of Mineralization striking north-south over 6,100 feet of length and dipping 5°- 30° west averaging 2,500 feet of down Dip extent.

Historical Work

All of the exploration and development on the property was completed by previous owners. The Carlin Vanadium Deposit was discovered in the 1960s by Union Carbide Corporation when significantly anomalous vanadium was found in samples collected by Union Carbide geologists. During 1967 and 1968 Union Carbide conducted exploration work including geological mapping, approximately 15,000 feet of trenching and 30,500 feet of drilling in 112 holes, outlining a significant 300 by 1000 meter zone of vanadium Mineralization within the current claim boundary. In 1968 Union Carbide used this work to complete a historical resource estimation of 19.69M tons @ 0.83% V_2O_5. Historical exploration was restricted to within 150m from surface with an average drill hole depth of 75 meters. This historical resource has not been verified by us or by a Qualified Person, and accordingly we cannot confirm its reliability for the purpose of current resource classification methods referred to in NI 43-101. As a result, while we consider this historical information to be relevant, the information should not be relied upon and we are not treating this information as a current mineral resource.

Union Carbide conducted extensive metallurgical testing in the 1960 s and at the time could not produce an economical process for extracting the vanadium. Developments in heap leaching technologies in the 1970 s have shown economic recoveries of vanadium from geologically similar projects such as Gibellini Vanadium Project (Rocky Mountain Resources). We are currently investigating a number of new processes to economically extract the vanadium from the Carlin deposit.

The Carlin Vanadium Property also covers an interesting gold occurrence and in 1998, Cambior Inc. and Sante Fe Pacific Mining Inc. used rock chip sampling to outline an approximate 550 feet northeast trending (>100 ppb) gold anomaly within the Devonian Woodruff Formation and drilled 20 holes totalling 2700 feet in length to test the anomalous zone. The best results were obtained in drill hole CBK-2 which intersected 0.01 oz. per ton gold from 5 to 70 feet within the Woodruff Formation immediately below the unconformity. This gold occurrence warrants further investigation to determine whether there is a possibility of a Carlin-type gold system on the property. We have not verified these historical results, and while we believe them to be relevant, we caution that this historical drilling information should not be relied upon.

Resource Estimation

In 2010, we commissioned SRK Consulting to prepare an NI 43-101 technical report and to produce a current resource estimation for the Carlin Vanadium Project. The report, titled, *NI 43-101 Technical Report on Resources EMC Metals Corp. Carlin Vanadium Project, Carlin Nevada* , was prepared by Bart Stryha, PhD of SRK Consulting, a Qualified Person as defined by NI 43-101.

The resource estimation is supported by information from the 152 rotary drill-holes totalling 36,525 feet. The drillhole database was compiled by us and verified by SRK Consulting. The resource estimation is based on a generalized geologic model and confined within a V_2O_5 Grade shell. Each model block was assigned an average density based on the lithologies present. Mineralization is interpreted to follow along the plane of bedding with a general orientation striking N-S dipping 5° to 25° west. Drill-hole samples were composited into 25 foot bench lengths without breaks at geologic contacts. The raw V_2O_5 assays were capped at 2.2% prior to compositing. The model blocks are 50ft x 50ft x 25ft in the x,y,z directions, respectively. V_2O_5 Grades were estimated using an Inverse Weighting to the second power. A minimum of 3 and maximum of 12 composites were required for the block Grade estimations. The results of the resource estimation provided a CIM classified Inferred Mineral Resource as shown in Table 3 below. The quality of the historical data is good and the mineral resource was classified as inferred mainly due to the fact that the rotary drilling has not been verified by modern program.

Table 3

Carlin Vanadium Project Resource Estimation				
Resource Category	**Cut off V2O5% (ppm)**	**Total Tonnes (kt)**	**Grade V2O5% (ppm)**	**Contained V2O5 (Mlbs)**
Inferred	0.3	25,400	0.515	289

The 0.3% V2O5 cut-off-grade was chosen for resource reporting based on the reasonable potential for economic extraction under a conceptual open pit mining and milling scenario. The cut-off-grade was calculated using $2.30/ton mining cost, $35/ton milling cost, $0.50/ton admin cost, 65% recovery, 95% selling pay-for, 1% freight charge, 0% royalty and a $10.46/lb V2O5 value. The V2O5 price is based on a five year trailing average value. This analysis resulted in a break-even cut-off-grade of 0.30% . The results reported in the resource statement are rounded to reflect the approximation of Grade and quantity, which can be achieved at this level of resource estimation.

COPPERKINGTUNGSTENPROPERTY

Property Description and Location

We have a 100% interest in the Copper King Property which is located in Pershing County, Nevada. The Copper King Project consists of 7 unpatented claims and 9 patented claims covering 250ha is located on the west flank of the Trinity Range in Pershing Co., Nevada (see Figure 1 above).

Geology and Mineralization

The Copper King tungsten Mineralization is hosted within 5 separate, parallel Triassic-Jurassic Sedimentary horizons including argillite, quartzite, and marble, in contact with a Cretaceous granodiorite Intrusion. Limestone beds within the sedimentary package have been silicified forming steeply dipping, epidote-garnet skarns.

Historical Work

The Copper King Property was originally staked in the early 1900s as a copper prospect and very little is known about the early historical work until scheelite was discovered on the property in 1949. The property was mined in 1952 by Cordero Mining Company who removed 750 tons of ore and again in 1956 by Wallace and Durkin, who removed 193 tons of Ore from one of two vertical shafts.

In 1969, the property was optioned to Nevada Tungsten and Copper Inc. who completed 2,184 feet of Diamond drilling in 4 holes which ranged in depth from 279 feet to 935 feet.

In 1976, General Electric Co. acquired the property and carried out extensive mapping, sampling, and drilling.

Exploration

The Copper King project is an early stage exploration project and we are currently evaluating the property for future exploration potential.

FOSTUNG TUNGSTEN PROPERTY

Pursuant to the terms of a purchase and sale agreement dated June 26, 2009, as amended on July 22, 2009 and September 14, 2009, between us and Breakwater Resources Ltd., in October of 2009, we issued 500,000 of our common shares to Breakwater as consideration for a 100% interest in the Fostung property located in Ontario, subject to a 1% Net Smelter Returns Royalty. The property was placed on care and maintenance in 2008.

In May of 2011, we completed the sale of all of our interest in the Fostung property to a wholly owned subsidiary of Janus Resources, Inc., a Nevada company, for CAD$500,000.

ITEM 4. SECURITY OWNERSHIP OF CERTAIN BENEFICAL OWNERS AND MANAGEMENT

The table below presents, as of September 1 , 2011, information regarding the beneficial ownership of our common shares with respect to each of our executive officers, each of our directors, each person known by us to own beneficially more than 5% of the common shares, and all of our directors and executive officers as a group. Beneficial ownership is determined under the rules of the Securities and Exchange Commission and generally includes voting or investment power over securities. Each individual or entity named has sole investment and voting power with respect to the common shares indicated as beneficially owned by them, subject to community property laws, where applicable, except where otherwise noted.

Common Shares subject to options or warrants that are currently exercisable or exercisable within 60 days from September 1 , 2011 are considered outstanding and beneficially owned by the person holding the options or warrants for the purpose of computing the percentage ownership of that person but are not treated as outstanding for the purpose of computing the percentage ownership of any other person.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Common Shares	George Putnam #502 - 1430 Greg Street Sparks, NV 89431	2,550,000 (1)	1.68
Common Shares	William Harris 651 Boardman Street Sheffield, MA 01257	1,230,000 (2)	0.81
Common Shares	Daniel Wolfus #1604 – 10350 Wilshire Blvd Los Angeles, CA 90024	1,300,000 (3)	0.86
Common Shares	Willem Duyvesteyn (4) 2200 Del Monte Lane Reno, NV 89511	19,837,386 (5)	13.12
Common Shares	Barry Davies #502 - 1430 Greg Street Sparks, NV 89431	1,745,000 (6)	1.15
Common Shares	John Thompson 30 Kincardine Drive Benowa QLD, 4217	790,000 (7)	0.52
		Nil	0

Common Shares	Edward Dickinson #2523 - 7000 Mae Anne Avenue Reno, NV 89523		
	All Officers and Directors as a Group	27,452,386	18.14
Common Shares	William Lupien [8] [9] #502 - 1430 Greg Street Sparks, NV 89431	25,077,833 [10]	16.48
Common Shares	EMC Metals Corp. 888 Dunsmuir Street, 11th Floor Vancouver, BC V6C 3K4	2,583,333 [11]	1.70

(1) Includes options to purchase 1,500,000 common shares, and warrants to purchase 350,000 common shares.
(2) Includes options purchase 1,200,000 common shares.
(3) Includes options to purchase 900,000 common shares.
(4) The address of such person is Reno, Nevada, USA.
(5) Includes options to purchase 800,000 common shares.
(6) Includes options to purchase 500,000 common shares, and warrants to purchase 375,000 common shares.
(7) Includes options to purchase 500,000 common shares, and warrants to purchase 230,000 common shares.
(8) The address of such person is Coeur d Alene, Idaho, USA.
(9) A total of 23,252,833 common shares are held in the name of Kudu Partners, L.P.
(10) Includes options to purchase 325,000 common shares, and warrants to purchase 1,500,000 common shares.
(11) Includes warrants to purchase 1,550,000 common shares.

ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS

The following table provides certain information regarding our directors, executive officers and key personnel.

The term of each of our current directors will expire at the next annual general meeting unless his office is earlier vacated in accordance with our Articles or he becomes disqualified to act as a director.

Name, Age and Position	**Principal Occupation for the Past Five Years**	**Director/ Officer Since**
George Putnam age: 57 *President, Chief Executive Officer and Director*	Our President and CEO since May 2010; President of G.F. Putnam Consulting, a financial and marketing advisory company, from November 2009 until April 2010; CFO of QGX Ltd. from August 2006 to October 2009; Senior Finance Director of Kaiser Permanente from May 2004 to July 2006.	May 3, 2010
Willem P.C. Duyvesteyn age: 66 *Chief Technology Officer and Director*	Our Chief Technology Officer since December 2009; President and founder, The Technology Store, Inc., from August 2000 to December 2009; President, Technology and Resource Development Inc. since December 2009.	December 16, 2009
William B. Harris age: 64 *Director*	Partner of Solo Management Group, LLC, an investment management and financial consulting company since 1998.	June 15, 2007
Daniel Wolfus age: 65 *Director*	Chairman and CEO, Midway Gold Corp. since December 2009; Financial consultant to Midway Gold Corp. from August 2009 to December 2009; Director, MD Cowan and Co., a manufacturer of oil drilling equipment, Director of Midway Gold Corp., Evolving Gold Corp., and Melkior Resources Inc. from May 2008 to August 2009; President, Mandalay Publications Inc. from 1997 until May 2008, a magazine publisher.	August 21, 2009
Barry Davies age: 61 *Director*	President, Rudgear Holdings Ltd., a private investment company, since March 2006; prior thereto, President of Rudgear Inc., a private investment company.	January 20, 2010

Name, Age and Position	Principal Occupation for the Past Five Years	Director/ Officer Since
John Thompson age: 63 *Vice President of Project Development*	Our Vice President of project development since March 2011; Consultant with John Thompson & Associates since August 2009; retired from February 2009 to August 2009; Vice President of project development for QGX Ltd. from November 2006 to February 2009.	March 8, 2011
Edward Dickinson age: 65 *Chief Financial Officer*	Senior Director of Program & Contract Management of Altair Nanotechnologies Inc. from April 2008 to August 2011, Chief Financial Officer of Altair Nanotechnologies Inc. from March 2000 to April 2008, Secretary Altair Nanotechnologies Inc. from June 2001 to April 2008.	September 1, 2011

Biographical Information: Directors and Officers

The following provides additional biographical information on our directors and officers.

George Putnam, President, CEO and Director. Mr. Putnam has 20 years employment experience with BHP (now BHP-Billiton) and GE/Utah International. While at BHP-Billiton, he held division CFO roles in the petroleum refining business, and in BHP-Billiton Manganese, a mining, alloy smelting and refining business located in Australia. His previous experience also includes acquisition and divestiture work for both BHP-Billiton and other clients, associated bank financings, and the negotiation and management of strategic alliances involving long-term product sales contracts. From 2006 to 2008, Mr. Putnam served as CFO for QGX Ltd., a Toronto Stock Exchange listed mineral exploration company.

Mr. Putnam has an Economics degree from Gettysburg College and a Masters in Business Administration from Duke University.

For the following reasons, the Board concluded that Mr. Putnam should serve as a director of EMC Metals Corp. in light of its business and structure, at the time it files this Registration Statement. Mr. Putnam’s extensive experience in the mineral exploration industry brings essential management skills to the Board.

Willem P.C. Duyvesteyn, Chief Technical Officer and Director. Mr. Duyvesteyn has over 40 years experience in the mining, mineral and energy industries. He is the founder and former CEO of TTS, a company involved in the development and commercialization of various mineral and energy related processes and projects. TTS was acquired by us in 2009. Prior to forming TTS, Mr. Duyvesteyn was Vice President and General Manager Minerals Technology for BHP (now BHP-Billiton) for more than 10 years. Prior to BHP, he was associated with AMAX Inc., previously a NYSE listed corporation, as director of Laterite Nickel projects where he led various multi-million dollar development programs for nickel technology. While employed with Anglo American he was a member of the team that developed the large scale copper solvent extraction technology that is now universally employed by copper miners. Mr. Duyvesteyn is a member of numerous technical organizations in the mining, processing and chemical fields: AIME, CIM, AIChE, ACS. His technical expertise covers a very large spectrum of elements, metals and materials: from aluminum to zinc and from coal to diamonds.

Mr. Duyvesteyn was a former Dean of the Delft (the Netherlands) School of Mines. He has been granted over 40 US patents and is filing applications for a further 35 patents. He is the author of numerous technical papers and in 1999 was awarded the Goldfields Medal of the British Institution for Mining and Metallurgy for best technical paper.

For the following reasons, the Board concluded that Mr. Duyvesteyn should serve as a director of EMC Metals Corp. in light of its business and structure, at the time it files this Registration Statement. Mr. Duyvesteyn's extensive experience allows him to bring technical expertise in regard to mine development and operations, as well as metallurgical expertise, to the Board. In addition Mr. Duyvesteyn owns a significant percentage of our common stock.

William Harris, Chairman of the Board. Mr. Harris is a partner in Solo Management Group, LLC, an investment and management consulting partnership. He was previously a board member for Energy Metals Corporation, Chairman and Executive Committee member of the American Fiber Manufacturers Association, and President and CEO of Hoechst Fibers Worldwide, the global acetate and polyester business of Hoechst AG. At Hoechst Fibers Worldwide, Mr. Harris managed the business' $5 billion operation, comprised of 21,000 employees and production locations in 14 different countries. Other positions within Hoechst and its subsidiaries included Chairman of the Board (Presidente del Consejo) of Celanese Mexicana SA, a publicly-traded company in Mexico; Vice President, Finance and Executive Vice President and director of Celanese Canada Inc., a publicly-traded company in Canada, and Vice President and Treasurer and Chairman of the Audit Committee of Hoechst Celanese Corporation. Mr. Harris is currently a member of the board of directors of Gold One Intl. Ltd., Golden Predator Corp., and Tigris Uranium Corp. Mr. Harris is a graduate of Harvard College, B.A. in English, and Columbia University Graduate School of Business, M.B.A. in finance. He is a Trustee of the Williamstown (MA) Theatre Festival.

For the following reasons, the Board concluded that Mr. Harris should serve as a director of EMC Metals Corp. in light of its business and structure, at the time it files this Registration Statement. Mr. Harris' management experience allows him to bring a unique skill to the Board.

Daniel Wolfus, Director. Mr. Wolfus is currently Chairman and CEO of Midway Gold Corporation, a mineral exploration company listed on the TSX Venture Exchange. He has over 28 years of investment banking experience, firstly with E.F. Hutton & Co., where Mr. Wolfus became a partner and Senior Vice President in charge of the West Coast Corporate Finance Department, followed by his tenure as Chairman, CEO and chief organizer of Hancock Savings Bank in Los Angeles. He is also currently a director of MD Cowan and Co., a manufacturer of oil drilling equipment, Mr. Wolfus earned a MBA in Finance and a BA-Economics at the University California, Los Angeles. Mr. Wolfus has served in various charitable and non-profit organizations in the United States since November 21, 2008.

For the following reasons, the Board concluded that Mr. Harris should serve as a director of EMC Metals Corp. in light of its business and structure, at the time it files this Registration Statement. Mr. Wolfus' experience in the finance and banking industry provides important financial management and financing insights to the Board.

Barry Davies, Director. Mr. Davies is the President of Rudgear Holdings Ltd., an Asia based private investment company, and also serves as a director of several public and private companies with exploration, mining and investment activities in Canada, Latin America and Southeast Asia. He has been a director of Grande Cache Coal Corporation, a Canadian metallurgical coal mining company, since July 2000. He is a mining engineering graduate from the Camborne School of Mines in Cornwall, United Kingdom, with more than 35 years experience in mineral exploration, mine development, operations and corporate management. During more than 20 years with BHP Group he held senior management positions with responsibility for exploration and mine development projects in Australia, Southeast Asia and South Africa leading to his appointment to the position of Vice President Strategic Planning and Development for BHP Minerals in Australia

For the following reasons, the Board concluded that Mr. Harris should serve as a director of EMC Metals Corp. in light of its business and structure, at the time it files this Registration Statement. Mr. Davies' extensive experience on the board of several other mining companies enable him to provide important operating insights to the Board.

John Thompson, Vice President of Project Development. Mr. Thompson's mining career spans 41 years in senior management roles with Utah Development Company, BHP (now BHP Billiton), Newcrest Mining, and QGX, managing and developing mineral projects in Australia, New Zealand, Mongolia and the United States. Mr. Thompson was responsible for the overall development of Newcrest Mining's Cadia Hill mine, in NSW, which included reserve definition, management of engineering teams that designed both the mine and processing plant facilities, the final feasibility study, and the environmental impact statement (EIS) on the project. More recently, as VP Project Development for QGX, Mr. Thompson delivered the Preliminary Assessment Report, Pre-Feasibility Study, and EIS on the Baruun Naran coking/thermal coal project in the South Gobi, Mongolia. He has held numerous other leadership roles in the mining industry, including four Mine/General Manger roles in coking coal, gold, and titanium/iron sands operations and a General Manager position at Newcrest overseeing 5 operating gold businesses in Australia.

Mr. Thompson has a BS degree in Mining and Petroleum Engineering from the University of Queensland, and is a Fellow of the Australian Institute of Mining and Metallurgy.

Edward Dickinson, Chief Financial Officer. Mr. Dickinson has over 24 years experience in the energy business. From August 1996 to August 2011, Mr. Dickinson held senior management positions at Altair Nanotechnologies Inc., including Chief Financial Officer, Director of Finance, Secretary, and Senior Director - Program & Contract Management; and from May 2002 to May 2004 Mr. Dickinson was a Director of Altair Nanotechnologies Inc. From 1994 to 1996, Mr. Dickinson was employed by the Southern California Edison Company as a negotiator of non-utility power generation contracts. Mr. Dickinson was Vice President and Director of Geolectric Power Company during 1993 and 1994; and from 1987 through 1992 was the Director of Finance and Administration for OESI Power Corporation. Prior to 1987, Mr. Dickinson served in various financial and program management positions at the U.S. Department of Energy.

Mr. Dickinson, who is a certified public accountant, obtained a Masters degree in Accounting from California State University, Northridge in 1978.

Family Relationships

There are no family relationships among any of the above directors.

Other U.S. Directorships

None of our directors are also directors of issuers with a class of securities registered under Section 12 of the Exchange Act (or which otherwise are required to file periodic reports under the Exchange Act), other than Daniel Wolfus who is a director and CEO of Midway Gold Corp.

Involvement in Certain Legal Proceedings

During the past ten years, no present or former director, executive officer or person nominated to become a director or an executive officer of ours:

(1) was a general partner or executive officer of any business against which any bankruptcy petition was filed, either at the time of the bankruptcy or two years prior to that time;

(2) was convicted in a criminal proceeding or named subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);

(3) was subject to any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; or

(4) was found by a court of competent jurisdiction (in a civil action), the SEC or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended or vacated.

ITEM 6. EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth the cash and other compensation paid by us to our CEO and CFO during the fiscal years ended December 31, 2009 and 2010.

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Name and Principal Position	Year	Salary	Bonus	Stock Awards	Option Awards[2]	All Other Compensation	Total
George Putnam *President, CEO and Director*	2010	$137,247[1]	$Nil	$Nil	$187,004	$Nil	$324,251
	2009	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil
Michael O Brien *Former CFO*	2010	$40,500	$Nil	$Nil	$46,162	$Nil	$86,662
	2009	$Nil	$Nil	$Nil	$Nil	$Nil	$Nil

(1) Represents consulting fees under a management services contract.

(2) Calculated in accordance with ASC 718.

Outstanding Equity Awards at Fiscal Year End

The following table sets forth the unexercised options, shares that have not been vested, and equity incentive plan awards for each of our executive officers outstanding as of December 31, 2010.

Option Awards			Stock Awards						
Name	Number of Securities Underlying Unexercised options	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units that have not Vested	Market Value of Shares of Units Have not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that have not Vested	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or other Rights that have not Vested ($)
George Putnam	2,500,000	Nil	Nil	0.10	November 5, 2015	1,500,000	420,000	Nil	Nil
Michael O Brien	250,000	Nil	Nil	0.25	January 4, 2015	187,500	24,375	Nil	Nil

Compensation of Directors

The following table sets forth the compensation paid by us to our directors during our fiscal year ended December 31,

2010.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compens-ation ($)	Total ($)
William B. Harris	Nil	Nil	69,036	Nil	Nil	Nil	69,036
Daniel Wolfus	Nil	Nil	69,638	Nil	Nil	Nil	69,638
Barry Davies	Nil	Nil	37,389	Nil	Nil	Nil	37,389
Willem P.C. Duyvesteyn	Nil	Nil	55,817	Nil	Nil	Nil	55,817

Employment Agreements

We entered into a letter agreement with George Putnam on May 1, 2010, pursuant to which Mr. Putnam agreed to act as our President and CEO. According to the terms of the letter agreement Mr. Putnam will receive a base salary of $200,000 per year and 2,000,000 stock options of which 25% vested on November 5, 2010, and the remainder is subject to vest in three equal instalments every six months. The Compensation Committee has discretion to award an annual bonus and will review Mr. Putnam s base salary on an annual basis. The agreement provides for six months salary as severance pay or 36 months salary as severance pay following of a change of control transaction.

Compensation Committee

Our Compensation Committee is comprised of three directors, William Harris, Barry Davies and Daniel Wolfus. The function of our Compensation Committee is to review, on an annual basis, the compensation paid to our executive officers and to the directors, and to make recommendations on compensation to the Board. In addition, the Compensation Committee reviews the compensation plans for our non-executive staff.

ITEM 7. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Transactions with Related Parties

Except for a management services agreement with our President, disclosed under Item 6 of this Form, there have been no transactions with a party who was a related party to our company at the time of the transaction, for either of the fiscal years ended December 31, 2010 or December 31, 2009, or for any period subsequent to such year end.

In 2009, we purchased 100% of the outstanding shares of The Technology Store Inc. (TTS) from Willem P. Duyvesteyn and his spouse. On closing of the acquisition, and in accordance with the terms of the acquisition agreement, Mr. Duyvesteyn was appointed to our board of directors, and subsequently also became our Chief Technical Officer. Mr. Duyvesteyn was not a related party to us at the time the agreement to purchase TTS was entered into or at any time prior to his appointment as a director. See Item 1. Business **Recent History** - Acquisition of The Technology Store, Inc. for more information on the transaction.

Director Independence

Our common shares and certain of our warrants are listed on the Toronto Stock Exchange. Under Toronto Stock Exchange rules, the Board is required to affirmatively determine that each independent director has no material relationship with us which would interfere with the exercise of independent judgment. Our Board has determined that the following directors are independent as required by Toronto Stock Exchange listing standards: William B. Harris, Daniel Wolfus, and Barry Davies.

ITEM 8. LEGAL PROCEEDINGS

We are not a party to any pending legal proceedings and, to the best of our knowledge, none of our property or assets are the subject of any pending legal proceedings.

ITEM 9. MARKET PRICE OF AND DIVIDENDS ON THE REGISTRANT S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Price Range of Common Shares

The principal market on which our common shares are traded is the Toronto Stock Exchange. Our common shares commenced trading on the Toronto Stock Exchange on April 24, 2008 under the symbol GP . Effective March 11, 2009, the common shares were listed and posted for trading on the Toronto Stock Exchange under the symbol EMC .

The following table shows the high and low trading prices and average trading volume of our common shares on the Toronto Stock Exchange for the periods indicated.

Year	High (C$)	Low (C$)
Fiscal Year ended December 31, 2009		
First quarter	0.48	0.11
Second quarter	0.14	0.09
Third quarter	0.14	0.08
Fourth quarter	0.28	0.08
Fiscal Year ended December 31, 2010		
First quarter	0.25	0.15
Second quarter	0.20	0.09
Third quarter	0.11	0.07
Fourth quarter	0.44	0.07

Price Range of Warrants

We have 15,893,721 warrants listed for trading on the Toronto Stock Exchange. The trading warrants commenced trading on the Toronto Stock Exchange on September 3, 2008 under the symbol GP.WT . Effective March 11, 2009, the trading warrants were listed and posted for trading on the Toronto Stock Exchange under the symbol EMC.WT . The following table shows the high, low prices and average trading volume of the trading warrants on the Toronto Stock Exchange for the period indicated.

Year	High (C$)	Low (C$)
Fiscal Year ended December 31, 2009		
First quarter	0.005	0.005
Second quarter	0.030	0.005
Third quarter	0.020	0.005
Fourth quarter	0.015	0.005
Fiscal Year ended December 31, 2010		
First quarter	0.035	0.005
Second quarter	0.015	0.005
Third quarter	0.005	0.005
Fourth quarter	0.030	0.005

Transfer Agent for Common Shares and Warrants

The Registrar and Transfer Agent for our Common Shares and our trading warrants is Olympia Trust Company at its principal offices at Suite 1003, 750 West Pender Street, Vancouver, British Columbia, V6C 2T8.

Dividends

We have not paid any cash dividends on our common shares since our inception and do not anticipate paying any cash dividends in the foreseeable future. We plan to retain our earnings, if any, to provide funds for the expansion of our business.

ITEM 10. RECENT SALES OF UNREGISTERED SECURITIES

On December 3, 2010 we completed a private placement of 18,929,740 common shares at a price of $0.19 per share for proceeds of $3,596,651. The investors were Kudu Partners LLP and twenty-seven other private arm's length investors and investment funds. The securities were offered and sold in reliance on the exemptions from registration available under Regulation S and to accredited investors under Rule 506 of Regulation D.

On November 25, 2010 we completed a private placement of 6,100,000 units at a price of $0.10 per unit for gross proceeds of $610,000. Each unit was comprised of one common share and one-half of a warrant. Each full warrant entitles the holder to acquire one common share at a price of $0.18 per share until November 25, 2011. The investors were Kudu Partners LLP, Barry Davies, George Putnam, William Sheriff, John Thompson and seven other private arm's length investors. The securities were offered and sold in reliance on the exemptions from registration available under Regulation S and to accredited investors under Rule 506 of Regulation D.

On June 30, 2010, we completed a private placement of 2,947,702 units at a price of $0.10 per unit for gross proceeds of $294,770. Each unit was comprised of one common share and one-half of a warrant. Each full warrant entitled the holder to acquire one additional common share at a price of $0.18 per share until June 30, 2011. The investors were Kudu Partners LLP, Barry Davies, George Putnam and four other private arm's length investors and investment funds. The securities were offered and sold in reliance on the exemptions from registration available under Regulation S and to accredited investors under Rule 506 of Regulation D.

On January 27, 2010, we completed a private placement of 2,275,000 units at a price of $0.20 per unit for gross proceeds of $455,000. Each unit consisted of one common share and one-half of a warrant. Each full warrant entitled the holder to purchase one common share at a price of $0.25 per share until January 27, 2011. The investors were William Sheriff, Peter Bosse and five other private arm's length investors and investment funds. The securities were offered and sold in reliance on the exemptions from registration available under Regulation S and to accredited investors under Rule 506 of Regulation D.

On December 16, 2009, we acquired of all of the issued and outstanding capital stock of The Technology Store, Inc. in consideration for 19,037,386 common shares at a deemed price of $0.10 per share issued to Willem Duyvesteyn and Irene Duyvesteyn. The securities were offered and sold in reliance on the exemption from registration available to two accredited investors under Rule 506 of Regulation D.

On November 17, 2009, we completed a private placement of 13,000,000 units at a price of $0.08 per unit for gross proceeds of $1,040,000. Each unit consisted of one common share and one-half of a warrant. Each full warrant entitled the holder to purchase one common share at a price of $0.15 per share until November 17, 2010. The investors were Kudu Partners LLC, Peter Bosse, William Sheriff, and seven other private arm's length investors. The securities were offered and sold in reliance on the exemptions from registration available under Regulation S and to accredited investors under Rule 506 of Regulation D.

On October 13, 2009, we issued 500,000 common shares at a deemed price of $0.08 per share to Breakwater Resources Ltd. pursuant to a purchase and sale agreement in consideration for a 100% interest in the Fostung property. The securities were offered and sold in relianc