Geneva Resources, Inc.
Form 10-Q
January 14, 2010

U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

Mark One
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the period ended November 30, 2009

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______ to _______

COMMISSION FILE NUMBER: 0-51583

GENEVA RESOURCES, INC.
(NAME OF SMALL BUSINESS ISSUER IN ITS CHARTER)

NEVADA	98-0441019
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	I.R.S. EMPLOYER IDENTIFICATION NO.)

2533 N. CARSON STREET, SUITE 125
CARSON CITY, NEVADA 89706
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

(775) 348-9330
(ISSUER'S TELEPHONE NUMBER)

SECURITIES REGISTERED PURSUANT TO SECTION 12(B) OF THE ACT:	NAME OF EACH EXCHANGE ON WHICH REGISTERED:
NONE	

SECURITIES REGISTERED PURSUANT TO SECTION 12(G) OF THE ACT:
COMMON STOCK, $0.001 PAR VALUE
(TITLE OF CLASS)

Indicate by checkmark whether the issuer: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files.

Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filed, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer [ ]   Accelerated filer [ ]

Non-accelerated filer [ ]   Smaller reporting company [X]

Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

APPLICABLE ONLY TO ISSUER INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS.

N/A

Indicate by checkmark whether the issuer has filed all documents and reports required to be filed by Section 12, 13 and 15(d) of the Securities Exchange Act of 1934 after the distribution of securities under a plan confirmed by a court. Yes [ ] No [ ]

APPLICABLE ONLY TO CORPORATE REGISTRANTS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the most practicable date:	Outstanding as of January 7, 2009
Class	
Common Stock, $0.001 par value	104,743,062

Transitional Small Business Disclosure Format (Check one): Yes [ ] No [X]

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GENEVA RESOURCES, INC.

FORM 10-Q

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

GENEVA RESOURCES, INC.

(AN EXPLORATION STAGE COMPANY)

FINANCIAL STATEMENTS

NOVEMBER 30, 2009
(Unaudited)

GENEVA RESOURCES, INC.
(AN EXPLORATION STAGE COMPANY)

BALANCE SHEETS

	November 30, 2009
	(unaudited)
ASSETS	
CURRENT ASSETS	
Cash	$ 3,033
Prepaid expenses	183
Available for sale securities (Notes 2 and 3 (b))	54,810
TOTAL CURRENT ASSETS	58,026
Deposit on property	170,010
TOTAL ASSETS	$ 228,036
LIABILITIES AND STOCKHOLDERS' DEFICIT	
CURRENT LIABILITIES	
Accounts payable and accrued liabilities	$ 224,525
Shareholder's loan and accrued interest (Note 7)	1,776,188

TOTAL CURRENT LIABILITIES	2,000,713
GOING CONCERN CONTINGENCY AND COMMITMENTS (Note 1)	
STOCKHOLDERS' DEFICIT	
Capital stock (Note 4)	
Authorized	
200,000,000 shares of common stock, $0.001 par value,	
Issued and outstanding	
38,536,862 shares of common stock (May 31, 2009 - 38,536,862)	38,537
Additional paid-in capital	5,025,879
Stock payable	350,000
Accumulated other comprehensive loss	(215,190)
Deficit accumulated during the exploration stage	(6,971,903)
TOTAL STOCKHOLDERS' DEFICIT	(1,772,677)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 228,036

The accompanying notes are an integral part of these financial statements

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GENEVA RESOURCES, INC.
(AN EXPLORATION STAGE COMPANY)
STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended		Six Months
	November 30, 2009	November 30, 2008	November 30, 2009
REVENUE	$ -	$ -	$ -
DIRECT COSTS	-	-	-
GROSS MARGIN (LOSS)	-	-	-
GENERAL AND ADMINISTRATIVE EXPENSES			
Office and general	4,129	2,190	5,957
Consulting fees	16,300	75,220	21,300

Marketing expenses	-	-	-
Management fees	-	-	-
Mineral property expenditures (Note 3)	-	(10,000)	-
Professional fees	13,538	90,284	26,440
TOTAL GENERAL & ADMINISTRATION EXPENSES	(33,967)	(157,694)	(53,697)
NET OPERATING LOSS	(33,967)	(157,694)	(53,697)
OTHER INCOME (EXPENSE)			
Gain on extinguishment of accrued liability	-	-	-
Net gains on settlements	-	-	-
Interest expense	(43,565)	(40,209)	(87,385)
TOTAL OTHER INCOME (EXPENSE)	(43,565)	(40,209)	(87,385)
NET LOSS	$ (77,532)	$ (197,903)	$ (141,082)
COMPREHENSIVE LOSS			
Change in market value for sale of securities	$ 9,810	$ -	$ (190)
COMPREHENSIVE LOSS	$ (67,722)	$ (197,903)	$ (141,272)
LOSS PER COMMON SHARE BASIC	$ (0.00)	$ (0.01)	$ (0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - BASIC	38,536,862	38,497,302	38,536,862

The accompanying notes are an integral part of these financial statements

GENEVA RESOURCES, INC.
(AN EXPLORATION STAGE COMPANY)
STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Six months ended November 30, 2009	Six Nove

CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss for the period	$ (141,082)
Adjustments to reconcile net loss to net cash used in operating activities:	
Non-cash mineral property expenditures (recoveries)	-
Non-cash net gain on settlement	-
Non-cash gain on extinguishment of accrued liability	-
Stock-based compensation	-
Changes in operating assets and liabilities:	
Prepaid expenses	(183)
Increase in deposits	(5,000)
Accrued interest on shareholder's loan	87,385
Due to related parties	-
Accounts payable and accrued liabilities	8,934
NET CASH USED IN OPERATING ACTIVITIES	(49,946)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds on sale and subscriptions of common stock	350,000
Proceeds from shareholder advances	25,904
Payments for shareholder advances	(325,000)
NET CASH PROVIDED BY FINANCING ACTIVITIES	50,904
NET INCREASE (DECREASE) IN CASH	958
CASH, BEGINNING	2,075
CASH, ENDING	$ 3,033

SUPPLEMENTAL CASH FLOW INFORMATION AND NONCASH INVESTING AND FINANCING ACTIVITIES

Cash paid during the period:	
Interest	$ -
Income taxes	$ -
Shares issued for settlement of liability	$ -
Shares issued as deposit on option to purchase in mineral properties	$ -

The accompanying notes are an integral part of these financial statements

GENEVA RESOURCES, INC.
(An exploration stage company)
NOTES TO FINANCIAL STATEMENTS
NOVEMBER 30, 2009 (unaudited)

NOTE 1 - NATURE OF OPERATIONS AND BASIS OF PRESENTATION

The Company was incorporated in the State of Nevada on April 5, 2004. The Company was initially formed to engage in the business of reclaiming and stabilizing land in preparation for construction in the United States of America. On November 27, 2006, the Company filed Articles of Merger with the Secretary of State of Nevada in order to effectuate a merger whereby the Company (as Revelstoke Industries, Inc.) would merge with its wholly-owned subsidiary, Geneva Gold Corp. This merger became effective as of December 1, 2006 and the Company changed its name to Geneva Gold Corp. On March 1, 2007, the Company (Geneva Gold Corp.) merged with its wholly-owned subsidiary, Geneva Resources, Inc., pursuant to Articles of Merger that the Company filed with the Nevada Secretary of State. This merger became effective March 1, 2007 and the Company changed its name to Geneva Resources, Inc. The Company is an exploration stage enterprise, as defined in FASB ASC 915 "Development Stage Entities".

During 2007, the Company entered the business of exploration of precious metals with a focus on the exploration and development of gold deposits in North America and Internationally. During this period the Company entered into Option Agreements to obtain mineral leases in Canada, Panama, Peru and Nigeria.

The Company has a fiscal year of May 31. On May 5, 2006, the Company completed a forward stock split by the issuance of 42 new shares for each 1 outstanding share of the Company's common stock. On October 13, 2006, the Company completed a forward stock split by the issuance of 4 new shares for each 1 outstanding share of the Company's stock.

GOING CONCERN
To date the Company has generated minimal revenues from its business operations and has incurred operating losses since inception of $6,971,903. As at November 30, 2009, the Company has a working capital deficit of $1,942,687. The Company requires additional funding to meet its ongoing obligations and to fund anticipated operating losses. The ability of the Company to continue as a going concern is dependant on raising capital to fund its initial business plan and ultimately to attain profitable operations. Accordingly, these factors raise substantial doubt as to the Company's ability to continue as a going concern. The Company intends to continue to fund its mineral exploration business by way of private placements and advances from related parties as may be required. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might result from this uncertainty.

UNAUDITED FINANCIAL STATEMENTS
The accompanying unaudited financial statements have been prepared in accordance with generally accepted accounting principles for financial information and with the instructions to Form 10-Q. They do not include all information and footnotes required by United States generally accepted accounting principles for complete financial statements. However, except as disclosed herein, there have been no material changes in the information disclosed in the notes to the financial statements for the year ended May 31, 2009 included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission. The unaudited financial statements should be read in conjunction with those financial statements included in the Form 10-K. In the opinion of Management,

all adjustments considered necessary for a fair presentation, consisting solely of normal recurring adjustments, have been made. Operating results for the six months ended November 30, 2009 are not necessarily indicative of the results that may be expected for the year ending May 31, 2010.

The Company has evaluated subsequent events through January 13, 2010 the date which the financial statement were available to be issued. See note 8.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION
These financial statements are presented in United States dollars and have been prepared in accordance with generally accepted accounting principles in the United States of America.

GENEVA RESOURCES, INC.
(An exploration stage company)
NOTES TO FINANCIAL STATEMENTS
NOVEMBER 30, 2009 (unaudited)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

USE OF ESTIMATES AND ASSUMPTIONS
Preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Accordingly, actual results could differ from those estimates.

MINERAL PROPERTY EXPENDITURES
The Company is primarily engaged in the acquisition, exploration and development of mineral properties.

Mineral property acquisition costs are capitalized in accordance with FASB ASC 930-805, "Extractive Activities-Mining", when management has determined that probable future benefits consisting of a contribution to future cash inflows have been identified and adequate financial resources are available or are expected to be available as required to meet the terms of property acquisition and budgeted exploration and development expenditures. Mineral property acquisition costs are expensed as incurred if the criteria for capitalization are not met. In the event that mineral property acquisition costs are paid with Company shares, those shares are recorded at the estimated fair value at the time the shares are due in accordance with the terms of the property agreements.

Mineral property exploration costs are expensed as incurred.

When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves and pre-feasibility, the costs incurred to develop such property are capitalized.

Estimated future removal and site restoration costs, when determinable are provided over the life of proven reserves on a units-of-production basis. Costs, which include production equipment removal and environmental remediation, are estimated each period by management based on current regulations, actual expenses incurred, and technology and industry standards. Any charge is included in exploration expense or the provision for depletion and depreciation during the period and the actual restoration expenditures are charged to the accumulated provision amounts as incurred.

As of the date of these financial statements, the Company has incurred only property option payments and exploration costs which have been expensed.

To date the Company has not established any proven or probable reserves on its mineral properties.

ASSET RETIREMENT OBLIGATIONS
The Company has adopted the provisions of FASB ASC 410-20 "Asset Retirement and Environmental Obligations," which establishes standards for the initial measurement and subsequent accounting for obligations associated with the sale, abandonment or other disposal of long-lived tangible assets arising from the acquisition, construction or development and for normal operations of such assets. The adoption of this standard has had no effect on the Company's financial position or results of operations. As of November 30, 2009, any potential costs relating to the ultimate disposition of the Company's mineral property interests are not yet determinable.

CASH AND CASH EQUIVALENTS
Cash and cash equivalents include highly liquid investments with original maturities of three months or less.

INCOME TAXES
The Company follows the liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax balances. Deferred tax assets and liabilities are measured using enacted or substantially enacted tax rates expected to apply to the taxable income in the years in which those differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment. As at November 30, 2009, the Company had net operating loss carryforwards, however, due to the uncertainty of realization, the Company has provided a full valuation allowance for the deferred tax assets resulting

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

INCOME TAXES (continued)
from these loss carryforwards. Deferred income taxes are reported for timing differences between items of income or expense reported in the financial

statements and those reported for income tax purposes in accordance with FASB ASC 740-10, "Income Taxes," which requires the use of the asset/liability method of accounting for income taxes. Deferred income taxes and tax benefits are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and for tax loss and credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company provides for deferred taxes for the estimated future tax effects attributable to temporary differences and carry-forwards when realization is more likely than not.

AVAILABLE FOR SALE SECURITIES
The Company's holdings in marketable securities classified as available-for-sale are carried at fair value. The carrying value of marketable securities is reviewed each reporting period for declines in value that are considered to be other-than temporary and, if appropriate, the investments are written down to their estimated fair value. Realized gains and losses and declines in value judged to be other-than-temporary on available for sale securities are included in the Company's statements of operations. Unrealized gains and unrealized losses deemed temporary are included in accumulated other comprehensive income (loss).

The following disclosures are required by FASB ASC 820-10, "Fair Value Measurements and Disclosures" in connection with assets and liabilities whose carrying amounts are subject to fair value measures:

Fair Value Measurements at November 30, 2009

	November 30, 2009	Quoted Prices in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Available for sale securities	$ 54,810	$ 54,810	$ -	$ -
Total	$ 54,810	$ 54,810	$ -	$ -

In connection with the Company's available for sale securities, to November 30, 2009 and May 31, 2009, no realized or unrealized gains and losses have been recorded in operations and all unrealized gains and losses have been recorded as components of accumulated other comprehensive income (loss). Subsequent to the period the Company sold the shares for net proceeds to the Company of $54,810.

NET INCOME (LOSS) PER SHARE
The Company computes income (loss) per share in accordance with FASB ASC 260-10, "Earnings per Share" which requires presentation of both basic and diluted earnings per share on the face of the statement of operations. Basic income (loss) per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of outstanding common shares during the period. Diluted income (loss) per share gives effect to all dilutive potential common shares outstanding during the period. Dilutive loss per share

excludes all potential common shares if their effect is anti-dilutive.

FOREIGN CURRENCY TRANSLATION

The financial statements are presented in United States dollars. In accordance with FASB ASC 830-10, "Foreign Currency Matters", foreign denominated monetary assets and liabilities are translated to their United States dollar equivalents using foreign exchange rates which prevailed at the balance sheet date. Revenue and expenses are translated at average rates of exchange during the period. Related translation adjustments are reported as a separate component of stockholders' equity, whereas gains or losses resulting from foreign currency transactions are included in results of operations. To November 30, 2009, the Company has not recorded any translation adjustments into stockholders' equity.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

STOCK-BASED COMPENSATION

On June 1, 2006, the Company adopted FASB ASC 718-10, "Compensation- Stock Compensation", under this method, compensation cost recognized for the year ended May 31, 2007 includes: a) compensation cost for all share-based payments granted prior to, but not yet vested as of May 31, 2006, based on the grant-date fair value estimated in accordance with the original provisions of SFAS 123, and b) compensation cost for all share-based payments granted subsequent to May 31, 2006, based on the grant-date fair value estimated in accordance with the provisions of FASB ASC 718-10. In addition, deferred stock compensation related to non-vested options is required to be eliminated against additional paid-in capital upon adoption of FASB ASC 718-10. The results for the prior periods were not restated.

The Company accounts for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with FASB ASC 718-10 and the conclusions reached by the FASB ASC 505-50. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services as defined by FASB ASC 505-50.

FAIR VALUE OF FINANCIAL INSTRUMENTS

In accordance with the requirements of FASB ASC 480-10, the Company has determined the estimated fair value of financial instruments using available market information and appropriate valuation methodologies. The fair value of financial instruments classified as current assets or liabilities approximate their carrying value due to the short-term maturity of the instruments.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In June 2009, the FASB issued FASB ASC 105-10, "Generally Accepted Accounting Principles replaces SFAS No. 162, which establishes the FASB Accounting

Standards Codification ("Codification") as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with GAAP. Rules and interpretive releases of the Securities and Exchange Commission ("SEC") under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. The FASB will no longer issue new standards in the form of Statements, FASB Staff Positions, or Emerging Issues Task Force Abstracts; instead the FASB will issue Accounting Standards Updates. Accounting Standards Updates will not be authoritative in their own right as they will only serve to update the Codification. The issuance of FASB ASC 105-10and the Codification does not change GAAP. FASB ASC 105-10 becomes effective for interim and annual periods ending after September 15, 2009. Management does not expect the adoption of FASB ASC 105-10 to have a material impact on the Company's financial position, cash flows and results of operations

In June 2009, the FASB issued FASB ASC 810-10, "Consolidation", which included the following: (1) the elimination of the exemption for qualifying special purpose entities, (2) a new approach for determining who should consolidate a variable-interest entity, and (3) changes to when it is necessary to reassess who should consolidate a variable-interest entity. FASB ASC 810-10 is effective for the first annual reporting period beginning after November 15, 2009 and for interim periods within that first annual reporting period. The Company will adopt FASB ASC 810-10 in fiscal 2010. The Company does not expect that the adoption of FASB ASC 810-10 will have a material impact on the financial statements.

In June 2009, the FASB issued FASB ASC 860-10, "Transfers and Servicing", FASB ASC 860-10 eliminates the concept of a "qualifying special-purpose entity," changes the requirements for derecognizing financial assets, and requires additional disclosures in order to enhance information reported to users of financial statements by providing greater transparency about transfers of financial assets, including securitization transactions, and an entity's continuing involvement in and exposure to the risks related to transferred financial assets. FASB ASC 860-10 is effective for fiscal years beginning after November 15, 2009. The Company will adopt FASB ASC 860-10 in fiscal 2010. The Company does not expect that the adoption of FASB ASC 860-10 will have a material impact on the financial statements.

In June 2009, the FASB issued FASB ASC 855-10, "Subsequent Events." FASB ASC 855-10establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. FASB ASC 855-10 applies to both interim financial statements and annual financial statements. FASB ASC 855-10 is

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS (continued)
effective for interim or annual financial periods ending after June 15, 2009.

The adoption of FASB ASC 855-10 during the period did not have a material impact on the Company's financial position, cash flows or results of operations.

In May 2008, the FASB issued FASB ASC 944-20, "Financial Services-Insurance." FASB ASC 944-20 clarifies how SFAS 60, Accounting and Reporting by Insurance Enterprises applies to financial guarantee insurance contracts issued by insurance enterprises, including the recognition and measurement of premium revenue and claim liabilities. It also requires expanded disclosures about financial guarantee insurance contracts. FASB ASC 944-2 0is effective for the Company's interim period commencing June 1, 2009, except for disclosures about an insurance enterprise's risk-management activities, which were effective for the Company's interim period commencing June 1, 2008. The adoption of FASB ASC 944-20 during the period did not have a material impact on the Company's financial position, cash flows or results of operations.

NOTE 3 -MINERAL EXPLORATION PROPERTIES

(a) VILCORO GOLD PROPERTY
On February 23, 2007, the Company entered into a Property Option Agreement with St. Elias Mines Ltd., ("St. Elias") a publicly traded company on the TSX-V exchange, to acquire not less than an undivided 66% legal, beneficial and registerable interest in certain mining leases in Peru comprised of approximately 600 hectares in Peru.

On December 1, 2007, the Company entered into an extension agreement with St. Elias (the "December Extension Agreement"). The December Extension Agreement (i) acknowledges that in accordance with the terms and provisions of the Property Option Agreement, the Company must incur and pay exploration expenditures of not less than $500,000 prior to January 17, 2008, and (ii) provides an extension until March 31, 2008 to incur and pay such Exploration Expenditures. On June 4, 2008, an indefinite extension was granted by St. Elias to pay such Exploration Expenditures, based on the Operator's work on schedule.

Under the terms of the Property Option Agreement, and in order to exercise its Option to acquire the properties, the Company is required to make the following non-refundable cash payments to St. Elias totaling $350,000 in the following manner:

1. Payment of $50,000 in cash (paid).
2. The second payment of $100,000 cash and 50,000 shares of the Company's common stock are due on or before the twelve-month anniversary of the signing of the Property Option Agreement (paid).
3. The third payment of $200,000 cash is due on or before the twenty-fourth-month anniversary of the signing of the Property Option Agreement.

The Company is also required to incur costs totaling $2,500,000 as follows:

1. expenditures of $500,000 are to be incurred on or before the twelve month anniversary (subsequently indefinitely extended as described above) of the signing of the Property Option Agreement. ($551,000 was incurred from the inception of the agreement through May 31, 2009)
2. expenditures of $750,000 are to be incurred on or before the twenty-fourth-month anniversary of the signing of the Property Option Agreement; and
3. expenditures of $1,250,000 are to be incurred on or before the thirty-sixth-month anniversary of the signing of the Property Option Agreement.

Also under the terms of the Property Option Agreement, St. Elias will be the operator of the properties and will receive an 8% operator fee on all exploration expenditures. Once the Company exercises the Option, the Company agrees to pay 100% of all ongoing exploration, development and production costs until commercial production and the Company has the right to receive 100% of any cash flow from commercial production of the properties until it has recouped its production costs, after which the cash flow will be allocated 66% to the Company and 34% to St. Elias.

NOTE 3 -MINERAL EXPLORATION PROPERTIES (continued)

(a) VILCORO GOLD PROPERTY (continued)
On November 10, 2008, the Company commenced legal proceedings in the Supreme Court of British Columbia, Canada against each of St. Elias and John Brophy P. Geol. The Company is seeking rescission of the property option agreement and the return of all funds and shares advanced by the Company to St. Elias. The Company alleges that St. Elias failed to properly discharge its duty as an operator of the Vilcoro Property and also alleges that each of St. Elias and John Brophy failed to provide the Company complete and accurate information relating to the ownership of the Vilcoro Property and to the ownership of the adjacent property, including failing to disclose that John Brophy and his wife had an interest in the Vilcoro Property and the adjacent property. The Company also has alleged that St. Elias used some of the exploration funds provided by the Company to fund the exploration of the adjoining property.

A statement of Defense was filed by St. Elias and John Brophy on December 23, 2008, denying the majority of the allegations made by Geneva Resources. In addition St. Elias and John Brophy also filed a counter claim against Geneva for abuse of process and punitive damages. All allegations of Geneva, St. Elias and John Brophy remain to be proved in Court.

During fiscal 2009, the Company recorded a mineral property recovery of $50,000 in connection with the return of funds originally paid into trust to fund exploration activities.

(b) SAN JUAN PROPERTY
On November 16, 2006, the Company entered into a Property Option Agreement with Petaquilla Minerals Ltd ("Petaquilla"). Petaquilla therein granted the Company the sole and exclusive option to acquire up to a 70% undivided interest in and to five exploration concessions situated in the Republic of Panama owned and controlled by Petaquilla's wholly-owned subsidiary.

During 2007, certain disputes arose between the Company and Petaquilla which were resolved during 2008 by way of a settlement agreement (the "Settlement"), mutual release and the ultimate termination of the original option agreement. Pursuant to the terms of the Settlement: (i) Petaquilla shall issue 100,000 shares of its common stock to the Company, subject to pooling and release in four equal monthly tranches commencing no later than December 31, 2008 and certain other conditions, (ii) the 4,000,000 shares of the restricted common stock previously issued by the Company to Petaquilla shall be returned to the Company; and (iii) the $100,000 previously paid by the Company in order to exercise the initial portion of the Option shall be returned to the Company.

As of May 31, 2008, the Company had received $100,000 and the return of the 4,000,000 restricted shares of the Company's common stock with an estimated fair value of $5,440,000. In addition, the Company recorded the 100,000 common shares of Petaquilla, with an estimated fair value of $270,000, as accounts receivable as of May 31, 2008. The total proceeds of $5,810,000 was included in amounts recorded as gain on settlements during 2008.

During fiscal 2009, the Company received the 100,000 common shares receivable from Petaquilla, previously valued at $270,000. As of November 30, 2009, the 100,000 shares received had an estimated fair value of $54,810 ($0.548 per share) (May 31, 2009 - $55,000; $0.55 per share). Subsequent to the period the Company sold the shares for net proceeds to the Company of $54,810

(c) AMELIA AND SAN MARTIN CONCESSIONS

On November 20, 2009, the Company ("Optionee") entered into a letter Agreement with Glenn Patrick Schmitz ("Optionor") in connection with the proposed acquisition of an 80% interest in 39 mineral concessions located near Domyeko in Chile. The parties have agreed to complete their due diligence and the execution of a Formal Agreement within 60 days of the execution of the letter Agreement. The material terms and conditions set out in the term sheet as follows, all terms and conditions are based on a successful due diligence process:

1. The Company will pay the Optionor $5,000 upon the parties execution of the Letter Agreement. Funds were paid on November 23, 2009.
2. The Company will transfer and deliver 2,000,000 restricted common shares in the capital stock of the Company as follows: 500,000 shares as the initial tranche within thirty days of the Formal Agreement date;1,000,000 shares

NOTE 3 -MINERAL EXPLORATION PROPERTIES (continued)

(c) AMELIA AND SAN MARTIN CONCESSIONS (continued)

upon the expiry of the first twelve month period after the Formal Agreement date; and 500,000 shares upon the expiry of the second twelve month period after the Formal Agreement date.

3. The Company will pay the Optionor further amounts as follows: $300,000 dollars prior to the first anniversary of the Formal Agreement date; an amount to be solely and exclusively determined by the Optionee in its judgment, based on the First Year Term drilling and explorations results, will be paid as Exploration Expenditures by the Optionee prior to the Second Anniversary; and an amount to be solely and exclusively determined by the Optionee in its judgment, based on the

Second Year Term drilling and explorations results, will be paid as Exploration Expenditures by the Optionee prior to the Third Anniversary.

NOTE 4 - STOCKHOLDERS' DEFICIT

The Company's capitalization is 200,000,000 common shares with a par value of $0.001 per share. On January 12, 2007, shareholders consented to increase the authorized share capital of the Company from 50,000,000 shares of common stock to 200,000,000 shares of common stock with the same par value of $0.001 per share.

On May 1, 2006, a majority of shareholders and the directors of the Company approved a special resolution to undertake a forward stock split of the common stock of the Company on a 42 new shares for 1 old share basis whereby 16,400,000 common shares were issued pro-rata to shareholders of the Company as of the record date on May 1, 2006.

On September 27, 2006, four founding shareholders returned 30,000,000 of their restricted founders' shares, previously issued at prices ranging from $0.0004 - $0.00225 per share, to treasury and the shares were subsequently cancelled by the Company. The shares were returned to treasury for no consideration to the founding shareholders.

On October 13, 2006, a majority of the Board of Directors approved by way of a stock dividend to undertake a forward stock split of the common stock of the Company on a 4 new shares for 1 old share basis whereby 27,900,000 common shares were issued pro-rata to shareholders of the Company as of October 13, 2006.

All references in these financial statements to number of common shares, price per share and weighted average number of common shares outstanding prior to the 42:1 forward split and the 4:1 forward split have been adjusted to reflect these stock splits on a retroactive basis, unless otherwise noted.

On December 1, 2006, the Company issued 4,000,000 common shares valued at $7,400,000 in connection with the San Juan Property Option Agreement

In August 2007, the Company received $400,000 towards a planned private placement of Units to be offered at $1.00 per unit with each unit consisting of one common share and one warrant to acquire an additional common share, exercisable at $1.50 for twelve months. On February 29, 2008, the Company changed the terms of the planned private placement of Units now to be offered at $1.00 per unit with each unit consisting of one common share only. The 400,000 shares were issued on September 9, 2008.

On October 15, 2007, the Company issued 10,000 common shares with a fair value of $15,000 as a finder's fee payment in connection with the Vilcoro Gold Property Option Agreement.

On January 31, 2008, the Company issued 50,000 common shares to St. Elias Mines Ltd. with a fair value of $65,000 in connection with the Vilcoro Gold Property Option Agreement (Refer Note 3a).

On March 14, 2008, the Company returned to treasury the 4,000,000 common shares with a fair value of $5,440,000 in connection with the settlement with Petaquilla (Refer to Note 3b).

GENEVA RESOURCES, INC.
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NOTE 4 - STOCKHOLDERS' DEFICIT (continued)

On May 29, 2008, the Company issued 86,500 common shares at $1.25 per share totaling $108,125, in settlement of $86,500 in debt owed by the Company to the president of the Company, resulting in a $21,625 loss on the debt settlement.

On May 29, 2008, the Company issued 790,362 common shares at $1.25 per share totaling $987,953, in settlement of $790,362 in debt owed by the Company to a supplier of the Company, resulting in a $197,591 loss on the debt settlement.

On September 9, 2008, the Company issued 400,000 common shares at $1.00 per share for proceeds of $400,000 which were received during the year ended May 31, 2008.

During the period, the Company received $350,000 towards a planned private placement of Units to be offered at $0.05 per unit with each unit consisting of one common share and one warrant to acquire an additional common share, exercisable at $0.25 for twelve months. Subsequent to the period on December 8, 2009 the Company issued 7,000,000 common shares at $0.05 per share in connection with the previously received share subscriptions.

Effective December 7, 2009, the Board of Directors of Geneva Resources Inc., authorized the settlement of debt with a certain creditor which debt consisted of outstanding advances and accrued interest aggregating to $1,776,188. The Debt was evidenced by that certain convertible promissory note dated December 4, 2009 in the principal of $1,776,188 issued to the Creditor. In accordance with the terms and provisions of the Promissory Note, in the event the Company is unable to repay the debt, the debt could be satisfied by way of conversion of the debt into shares of the Company's restricted common stock at $0.03 per share. Subsequently the Creditor assigned a proportionate right of its title and interest in and to the debt and the Convertible Note to certain Assignees. On December 7, 2009, the Company received notices of conversion dated December 7, 2009 from the respective Assignees, pursuant to which the Assignees were converting their respective right, title and interest in and to Debt and the Convertible Note into shares of Common Stock at the rate of $0.03 per share.

Also effective December 7, 2009, the Board of Directors of the Company authorized the issuance of an aggregate of 59,206,200 shares of the Company's Common Stock proportionately to the Assignees in accordance with the terms and provisions of the above Notices of Conversion.

NOTE 5 - STOCK OPTION PLAN

On May 9, 2007, the Board of Directors of the Company ratified, approved and adopted a Stock Option Plan for the Company in the amount of 5,000,000 shares with an exercisable period up to 10 years. In the event an optionee ceases to be employed by or to provide services to the Company for reasons other than cause, any Stock Option that is vested and held by such optionee may be exercisable within up to ninety calendar days after the effective date that his position ceases. No Stock Option granted under the Stock Option Plan is transferable. Any

Stock Option held by an optionee at the time of his death may be exercised by his estate within one year of his death or such longer period as the Board of Directors may determine. On May 9, 2007, the Board of Directors of the Company ratified and approved under the Company's existing Stock Option Plan the issuance of 1,500,000 shares for ten years at $1.00 per share.

On May 9, 2007, the Company granted 1,500,000 stock options to officers, directors and consultants of the Company at $1.00 per share. The term of these options are ten years. The total fair value of these options at the date of grant was $965,671, and was estimated using the Black-Scholes option pricing model with an expected life of 10 years, a risk free interest rate of 4.49%, a dividend yield of 0% and expected volatility of 164% and was recorded as a stock based compensation expense in the year ended May 31, 2007.

On April 28, 2008, the Company granted 350,000 stock options to a director of the Company at $1.20 per share. The term of these options are ten years. The total fair value of these options at the date of grant was $388,500 and was estimated using the Black-Scholes option pricing model with an expected life of 10 years, a risk free interest rate of 3.86%, a dividend yield of 0% and expected volatility of 126% and has been recorded as a stock based compensation expense in the year ended May 31, 2008.

NOTE 5 - STOCK OPTION PLAN (continued)

A summary of the Company's stock options as of November 30, 2009, and changes during the year then ended is presented below:

	Number of Options	Weighted average exercise Price per share	Weighted average remaining Contractual life (in years)
OUTSTANDING AT MAY 31, 2008	1,850,000	$ 1.04	9.12
Granted during the year	-	-	-
Exercised during the year	-	-	-
OUTSTANDING AT MAY 31, 2009	1,850,000	1.04	8.12
Granted during the period	-	-	-
Exercised during the period	-	-	-
OUTSTANDING AT NOVEMBER 30, 2009	1,850,000	$ 1.04	7.62

NOTE 6 - RELATED PARTY TRANSACTIONS

During the six month period ended November 30, 2009, the Company incurred $Nil in management fees to officers and directors (six months ended November 30, 2008 - $Nil). Any transactions with related parties are in the normal course of operations and, in management's opinion, undertaken with similar terms and conditions as transactions with unrelated parties.

NOTE 7 - SHAREHOLDER'S LOAN

On November 14, 2006, a significant shareholder of the Company advanced $100,000 on behalf of the Company regarding a previous property option agreement. Additional advances of $303,500, $795,000 and $540,000 were received during the years ended May 31, 2007, 2008 and 2009, respectively under the same terms and conditions. During the period ended November 30, 2009, an additional $25,904 was advanced by the same shareholder under the same terms and conditions. These amounts are unsecured, bear interest at 10% per annum, and have no set terms of repayment. During the period, $325,000 of accrued interest was repaid to the shareholder. The total amount outstanding as of November 30, 2009 including accrued interest is $1,776,188 (May 31, 2009 - $1,987,899).

Effective December 7, 2009, the Board of Directors of Geneva Resources Inc., authorized the settlement of debt with a certain creditor which debt consisted of outstanding advances and accrued interest aggregating to $1,776,188. The Debt was evidenced by that certain convertible promissory note dated December 4, 2009 in the principal of $1,776,188 issued to the Creditor. In accordance with the terms and provisions of the Promissory Note, in the event the Company is unable to repay the debt, the debt could be satisfied by way of conversion of the debt into shares of the Company's restricted common stock at $0.03 per share. Subsequently the Creditor assigned a proportionate right of its title and interest in and to the debt and the Convertible Note to certain Assignees. On December 7, 2009, the Company received notices of conversion dated December 7, 2009 from the respective Assignees, pursuant to which the Assignees were converting their respective right, title and interest in and to Debt and the Convertible Note into shares of Common Stock at the rate of $0.03 per share.

Also effective December 7, 2009, the Board of Directors of the Company authorized the issuance of an aggregate of 59,206,200 shares of the Company's Common Stock proportionately to the Assignees in accordance with the terms and provisions of the above Notices of Conversion.

NOTE 8 - SUBSEQUENT EVENTS

Effective December 7, 2009, the Board of Directors of Geneva Resources Inc., authorized the settlement of debt with a certain creditor which debt consisted of outstanding advances and accrued interest aggregating to $1,776,188. The Debt was evidenced by that certain convertible promissory note dated December 4, 2009 in the principal of $1,776,188 issued to the Creditor. In accordance with the terms and provisions of the Promissory Note, in the event the Company is unable to repay the debt, the debt could be satisfied by way of conversion of the debt

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NOTE 8 - SUBSEQUENT EVENTS (continued)

into shares of the Company's restricted common stock at $0.03 per share. Subsequently the Creditor assigned a proportionate right of its title and interest in and to the debt and the Convertible Note to certain Assignees. On December 7, 2009, the Company received notices of conversion dated December 7, 2009 from the respective Assignees, pursuant to which the Assignees were converting their respective right, title and interest in and to Debt and the Convertible Note into shares of Common Stock at the rate of $0.03 per share.

Also effective December 7, 2009, the Board of Directors of the Company authorized the issuance of an aggregate of 59,206,200 shares of the Company's Common Stock proportionately to the Assignees in accordance with the terms and provisions of the above Notices of Conversion.

On December 8, 2009, the Company issued 7,000,000 common shares at $0.05 per share in connection with the previously received share subscriptions totaling $350,000.

During fiscal 2009, the Company received the 100,000 common shares receivable from Petaquilla, previously valued at $270,000. As of November 30, 2009, the 100,000 shares received had an estimated fair value of $54,810 ($0.548 per share) (May 31, 2009 - $55,000; $0.55 per share). Subsequent to the period the Company sold the shares for net proceeds to the Company of $54,810.

FORWARD LOOKING STATEMENTS

Statements made in this Form 10-Q that are not historical or current facts are "forward-looking statements" made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933 (the "Act") and Section 21E of the Securities Exchange Act of 1934. These statements often can be identified by the use of terms such as "may," "will," "expect," "believe," "anticipate," "estimate," "approximate," or "continue," or the negative thereof. We intend that such forward-looking statements be subject to the safe harbors for such statements. We wish to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Any forward-looking statements represent management's best judgment as to what may occur in the future. However, forward-looking statements are subject to risks, uncertainties and important factors beyond our control that could cause actual results and events to differ materially from historical results of operations and events and those presently anticipated or projected. We disclaim any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statement or to reflect the occurrence of anticipated or unanticipated events.

AVAILABLE INFORMATION

Geneva Resources, Inc. files annual, quarterly, current reports, proxy statements, and other information with the Securities and Exchange Commission (the "Commission"). You may read and copy documents referred to in this Quarterly Report on Form 10-Q that have been filed with the Commission at the Commission's Public Reference Room, 450 Fifth Street, N.W., Washington, D.C. You may obtain information on the operation of the Public Reference Room by calling the Commission at 1-800-SEC-0330. You can also obtain copies of our Commission filings by going to the Commission's website at http://www.sec.gov.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

GENERAL

Geneva Resources, Inc. was incorporated under the laws of the State of Nevada on April 5, 2004 under the name "Revelstoke Industries, Inc." for the purpose of reclaiming and stabilizing land in preparation for construction in Canada. Effective November 27, 2006, we changed our name to "Geneva Gold Corp.". Subsequently, effective March 1, 2007, we changed our name to "Geneva Resources, Inc.".

CURRENT BUSINESS OPERATIONS

We are currently engaged in the business of exploration of precious metals with a focus on the exploration and development of gold deposits in North America and internationally. As of the date of this Quarterly Report, our mineral interests consist mainly of option agreements on exploration stage properties as discussed below. We have not established any proven or probable reserves on our mineral property interests.

MINERAL PROPERTIES

VILCORO GOLD PROPERTY

On January 22, 2007, we entered into a letter of intent with St. Elias Mines Ltd. ("St Elias"), pursuant to which St. Elias proposed to grant to us an option to acquire not less than an undivided 66% legal, beneficial and registerable interest in certain mining leases in Peru including St. Elias' option to earn a 95% interest in the Vilcoro Gold Property project comprised of approximately 600 hectares in Peru (collectively, the "Vilcoro Properties"). On February 23, 2007, we entered into a formal property option agreement (the "Vilcoro Option Agreement") with St. Elias pursuant to which St. Elias granted to us an option to acquire not less than the undivided 66% legal, beneficial and registerable interest in the Vilcoro Properties (the "Vilcoro Option").

On December 1, 2007, we entered into an extension agreement with St. Elias (the "December 2007 Extension Agreement"). The December 2007 Extension Agreement acknowledged that in accordance with the terms and provisions of the Vilcoro Option Agreement, we must incur and pay exploration expenditures of not less than $500,000 prior to January 17, 2008 (the "Exploration Expenditures"), and provided us an extension until March 31, 2008 to incur and pay such Exploration Expenditures. On March 28, 2008, we entered into a second extension agreement with St. Elias (the "March 2008 Extension Agreement"), which provided us with an extension until June 30, 2008 to incur and pay such Exploration Expenditures. On June 4, 2008, we entered into a third extension with St. Elias (the "June 2008 Extension Agreement"), which provided us with an indefinite extension to pay such Exploration Expenditures based on the Operator's work schedule.

Under the terms of the Vilcoro Option Agreement and in order to exercise the Vilcoro Option, we were required to make the following non-refundable cash payments to St. Elias aggregating $350,000 as follows: (i) $50,000 within five business days from the execution of the Vilcoro Option Agreement, which as of the date of this Quarterly Report, was paid; (ii) $100,000 due on or before the 12-month anniversary of execution of the Vilcoro Option Agreement (which was paid); and (iii) $200,000 due on or before the 24-month anniversary of execution of the Vilcoro Option Agreement.

In accordance with the terms and provisions of the Vilcoro Option Agreement, we were further required to: (i) issue to St. Elias 50,000 shares of our restricted common stock on or before the 12-month anniversary of execution of the Vilcoro Option Agreement (which as of the date of this Quarterly Report have been issued); and (ii) incur costs totaling $2,5000,000 as follows: (a) expenditures of $500,000 were to be incurred on or before the 12-month anniversary of execution of the Vilcoro Option Agreement of which $551,000 had been advanced from inception of the agreement until the date of this Quarterly Report (which date was subsequently extended indefinitely based on the June 2008 Extension Agreement); (b) second expenditure of $750,000 was to be incurred on or before the 24-month anniversary of execution of the Vilcoro Option Agreement; and (iii) third expenditure of $1,250,000 was to be incurred on or before the 36-month anniversary of execution of the Vilcoro Option Agreement.

Under further terms of the Vilcoro Option Agreement: (i) St. Elias would have been the operator (the "Operator") of the Vilcoro Properties and would have received an 8% operator fee on all exploration expenditures; (ii) once we

exercised the Vilcoro Option, we agreed to pay 100% of all on-going exploration, development and production costs until commercial production (the "Production Costs"); and (iii) we would have had the right to receive 100% of any cash flow from commercial production of the Vilcoro Properties until we recouped the Production Costs after which the cash flow would have been allocated 66% to us and 34% to St. Elias.

PHASE I EXPLORATION PROGRAM. We were previously engaged in our Phase I exploration program. The Vilcoro Property comprised approximately 1,600 hectares and lay along the game geological belt of Tertiary rocks that host deposits in northern Peru, such as Newmont's Yanacocha Mine and Barrick's Pierina deposit. A total of 256 channel samples and 28 check samples had been collected from outcrops, trenches and underground workings, which sample preparation and analytical work was undertaken at ALS Chemex SA Laboratory (an ISO-certified facility) in Lima Peru, using standard industry practice fire assay with an atomic absorption finish. Most of the channel samples were three to five meters long. This work defined two mineralized trends referred to as the Main Trend and the South Trend. Six individual mineralized zones (Zones 1 through 6) had been identified within the Main Trend and three individual mineralized zones (Zones A through C) had been identified within the South Trend. The South Trend laid approximately 200 meters to the south of the Main Trend and comprised an east-west alignment (parallel to the Main Trend) of mineralized hydrobreccia occurrences in three zones.

On approximately April 9, 2008, we received a technical report (the "Technical Report") in accordance with the provisions of National Instrument 43-101 of the Canadian Securities Administrators on the Vilcoro Properties. The Technical Report was authored by John A. Brophy, P.Geo., who has thirty-two years of continuous geological experience on exploring for a variety of commodities including gold, copper, zinc, lead, uranium and silver. Based on the contents of the Technical Report, management was pleased with the evidence of disseminated mineralization on the Vilcoro Properties with average ore grades of 0.8 g/t, and previously continued fieldwork at Vilcoro Properties with emphasis on additional trenching between the individual zones on the Main Trend. The Technical Report is available on our website at WWW.GENEVARESOURCESINC.COM.

LITIGATION AND STATEMENT OF CLAIM. On November 6, 2008, we filed a Writ of Summons and Statement of Claim (collectively, the "Statement of Claim") against St. Elias and John A. Brophy ("Brophy") in the Supreme Court of British Columbia. The Statement of Claim relates to the Property Option Agreement.

The Statement of Claim alleges the following claims: (i) in tort against Brophy alleging non-disclosure of material facts and complete and accurate information relating to the ownership of the Vilcoro Property and to the ownership of the adjacent property, including failing to disclose that Brophy and his wife had an interest in the Vilcoro Property and the adjacent property, which entitles us to rescind the Property Option Agreement and return of an aggregate of $150,000 paid to St. Elias under the Property Option Agreement, an aggregate of $486,000 paid in exploration expenditures, and 50,000 shares of our common stock issued to St. Elias; (ii) breach of the Property Option Agreement relating to the failure by St. Elias to provide to us all data and information in its possession or under its control relating to St. Elias' exploration activities on and in the vicinity of the Vilcoro Properties; and (iii) breach of the Technical Services Agreement by failure of St. Elias to timely prepare and provide a budget or work programs or to expeditiously advance the work on the Vilcoro Properties and diversion by St. Elias of money, time and resources.

On December 23, 2008, a statement of defense was filed by St. Elias and Brophy denying the majority of the allegations made by us in our Statement of Claim. In addition, St. Elias and Brophy also filed a counter claim against us for abuse of process and punitive damages. All allegations by us, St. Elias and Brophy remain to be proved in court. See "Part II. Item 1. Legal Proceedings."

During the three-month period ended November 30, 2009, we recorded a mineral property recovery of $50,000 in connection with the return of funds originally paid by us into trust to fund the exploration activities.

SAN JUAN PROPERTY

On approximately November 16, 2006, we entered into a property option agreement (the "Petaquilla Option Agreement") with Petaquilla Minerals Ltd. ("Petaquilla"). In accordance with the terms and provisions of the Petaquilla

Option Agreement, Petaquilla granted to us the sole and exclusive option (the "Option") to acquire up to a 70% undivided interest in and to five exploration concessions situated in the Republic of Panama (the "San Juan Property"), which are owned and controlled by Petaquilla's wholly-owned Panamanian subsidiary.

During 2007, certain disputes arose between us and Petaquilla which were resolved during 2008 by way of a settlement agreement (the "Settlement"), mutual release and the ultimate termination of the Petaquilla Option Agreement. Pursuant to the terms of the Settlement: (i) Petaquilla shall issue 100,000 shares of its common stock to us, subject to pooling and release in four equal monthly tranches commencing no later than December 31, 2008 and certain other conditions, (ii) the 4,000,000 shares of the restricted common stock previously issued by us to Petaquilla shall be returned to us; and (iii) the $100,000 previously paid by us in order to exercise the initial portion of the Option shall be returned to us.

As of May 31, 2008, we received $100,000 and the return of the 4,000,000 restricted shares of our common stock with an estimated fair value of $5,440,000. In addition, we recorded the 100,000 common shares of Petaquilla, with an estimated fair value of $270,000, as accounts receivable as of May 31, 2008. The total proceeds of $5,810,000 was included in amounts recorded as gain on settlements during 2008.

During fiscal year ended May 31, 2009, we received the 100,000 common shares from Petaquilla, which were previously valued at $270,000. As of November 30, 2009, the 100,000 shares received had an estimated value of $54,810 ($0.548 per share).

AMELIA AND SAN MARTIN

As of November 30, 2009, we entered into a letter agreement (the "Letter Agreement") with Glenn Patrick Schmitz (the "Optionor"), in connection with the proposed acquisition of an 80% interest in thirty-nine mineral concessions located near Domyeko in Chile. In accordance with the terms and provisions of the Letter Agreement: (i) we will pay the Optionor $5,000 upon execution of the

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Letter Agreement, which as of the date of this Quarterly Report, has been paid; (ii) we will issue to the Optionor an aggregate of 2,000,000 shares of our restricted common stock as follows: (a) 500,000 shares as the initial tranche within thirty days of execution of a formal and definitive agreement (the "Formal Agreement"), (b) 1,000,000 shares upon the expiration of the first twelve month period after execution of the Formal Agreement, and (c) 500,000 shares upon the expiration of the second twelve month period after execution of the Formal Agreement; (iii) we will pay the Optionor further amounts as follows: (a) $300,000 prior to the expiration of the first twelve month period after execution of the Formal Agreement, (b) an amount to be paid by us as exploration expenditures prior to expiration of the second twelve month period after execution of the Formal Agreement, which amount shall be solely and exclusively determined by us based on the first year term drilling and exploration results, and (c) an amount to be paid by us as exploration expenditures prior to expiration of the third twelve month period after execution of the Formal Agreement, which amount shall be solely and exclusively determined by us based on the second year term drilling and exploration results.

As of the date of this Quarterly Report, we are engaged in due diligence. We have agreed to complete our due diligence and execution of the Formal Agreement within sixty days from November 30, 2009.

PROPOSED FUTURE BUSINESS OPERATIONS

Our current strategy is to complete further acquisition of other mineral property opportunities which fall within the criteria of providing a geological basis for development of mining initiatives that can provide near term revenue potential and production cash flows to create expanding reserves. We anticipate that our ongoing efforts, subject to adequate funding being available, will continue to be focused on successfully concluding negotiations for additional interests in mineral properties. We plan to build a strategic base of producing mineral properties.

Our ability to continue to complete planned exploration activities and expand acquisitions and explore mining opportunities is dependent on adequate capital resources being available and further sources of debt and equity being obtained.

RESULTS OF OPERATION

SIX MONTH PERIOD ENDED NOVEMBER 30, 2009 COMPARED TO SIX MONTH PERIOD ENDED NOVEMBER 30, 2008.

The summarized financial data set forth in the tables below and discussed in this section should be read in conjunction with our financial statements and related notes for the six month period ended November 30, 2009 and November 30, 2008, which financial statements are included elsewhere in this Quarterly Report.

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	SIX MONTH PERIOD ENDED NOVEMBER 30, 2009	SIX MONTH PERIOD ENDED NOVEMBER 30, 2008	INC T
REVENUE	-0-	-0-	
DIRECT COSTS	-0-	-0-	
GROSS MARGIN (LOSS)	-0-	-0-	
GENERAL AND ADMINISTRATIVE EXPENSES			
Office and general	5,957	9,320	
Consulting fees	21,300	158,908	
Marketing expenses	-0-	-0-	
Management fees	-0-	-0-	
Mineral property expenditures	-0-	90,000	
Professional fees	26,440	158,155	
NET OPERATING LOSS	($53,697)	($416,383)	
OTHER INCOME(EXPENSE)			
Gain on extinguishment of debt	-0-	-0-	
Interest expense	(87,385)	(74,892)	
Net gain on settlements	-0-	-0-	

TOTAL OTHER INCOME(EXPENSE)	(87,385)	(74,892)
NET LOSS	($141,082)	($491,275)
Change in market value of available for sale securities	(190)	-0-
COMPREHENSIVE LOSS	($141,272)	($491,275)

Our comprehensive loss during the six month period ended November 30, 2009 was approximately ($141,272) compared to a comprehensive loss of ($491,275) for the six month period ended November 30, 2008 (a decrease of $350,003).

During the six month period ended November 30, 2009 and November 30, 2008, respectively, we did not generate any revenue. During the six month period ended November 30, 2009, we incurred general and administrative expenses in the aggregate amount of $53,697 compared to $416,383 incurred during the six month period ended November 30, 2008 (a decrease of $362,686). The operating expenses incurred during the six month period ended November 30, 2009 consisted of: (i) office and general of $5,957 (2008: $9,320); (ii) consulting fees of $21,300 (2008: $158,908); (iii) mineral property expenditures of $-0- (2008: $90,000); and (iv) professional fees of $26,440 (2008: $158,155). The decrease in general and administrative expenses incurred during the six month period ended November 30, 2009 compared to the six month period ended November 30, 2008 resulted primarily from a decrease in consulting fees and a decrease in mineral property expenditures based upon the decrease in acquisition and development of our mineral properties and current status of the scale and scope of exploratory programs. General and administrative expenses generally include corporate overhead, financial and administrative contracted services, marketing and consulting costs.

The incurrence of general and administrative expenses resulted in a net operating loss of ($53,697) during the six month period ended November 30, 2009 compared to a net operating loss of ($416,383) during the six month period ended November 30, 2008. Net operating loss was further increased by the recording of interest expense of $87,385 (2008: $74,892) and a change in market value of available for sale securities of $190 (2008: $-0-).

Thus, our comprehensive loss during the six month period ended November 30, 2009 was ($141,272) or ($0.00) per share compared to a comprehensive loss of ($491,275) or ($0.01) per share for the six month period ended November 30, 2008. The weighted average number of shares outstanding was 38,536,862 at November 30, 2009 compared to 38,316,097 at November 30, 2008.

THREE MONTH PERIOD ENDED NOVEMBER 30, 2009 COMPARED TO THREE MONTH PERIOD ENDED NOVEMBER 30, 2008.

Our comprehensive loss during the three month period ended November 30, 2009 was approximately ($67,722) compared to a comprehensive loss of ($197,903) for the three month period ended November 30, 2008 (a decrease of $130,181).

During the three month period ended November 30, 2009 and November 30, 2008, respectively, we did not generate any revenue. During the three month period ended November 30, 2009, we incurred general and administrative expenses in the aggregate amount of $33,967 compared to $157,694 incurred during the three month period ended November 30, 2008 (a decrease of $123,727). The operating expenses incurred during the three month period ended November 30, 2009 consisted of: (i) office and general of $4,129 (2008: $2,190); (ii) consulting fees of $16,300 (2008: $75,220); (iii) mineral property expenditures of $-0- (2008: ($10,000)); and (iv) professional fees of $13,538 (2008: $90,284). The decrease in general and administrative expenses incurred during the three month period ended November 30, 2009 compared to the three month period ended November 30, 2008 resulted primarily from a decrease in consulting fees and professional fees based upon the decrease in acquisition and development of our mineral properties and current status of the scale and scope of exploratory programs.

The incurrence of general and administrative expenses resulted in a net operating loss of ($33,967) during the three month period ended November 30, 2009 compared to a net operating loss of ($157,694) during the three month period ended November 30, 2008. Net operating loss was further increased by the recording of interest expense of $43,565 (2008: $40,209) and a change in market value of available for sale securities of $9,810 (2008: $-0-).

Thus, our comprehensive loss during the three month period ended November 30, 2009 was ($67,722) or ($0.00) per share compared to a comprehensive loss of ($197,903) or ($0.01) per share for the three month period ended November 30, 2008. The weighted average number of shares outstanding was 38,536,862 at November 30, 2009 compared to 38,497,302 at November 30, 2008.

LIQUIDITY AND CAPITAL RESOURCES

SIX MONTH PERIOD ENDED NOVEMBER 30, 2009

Our financial statements have been prepared assuming that we will continue as a going concern and, accordingly, do not include adjustments relating to the recoverability and realization of assets and classification of liabilities that might be necessary should we be unable to continue in operation.

As at November 30, 2009 our current assets were $58,026 and our current liabilities were $2,000,713, resulting in a working capital deficit of $1,942,687. As at November 30, 2009, our total assets were $228,036 compared to total assets of $222,085 as at May 31, 2009. Total assets as at November 30, 2009 consisted of: (i) $3,033 in cash; (ii) $54,810 available for sale securities; (iii) $183 as prepaid expenses and (iv) $170,010 as deposit on property. As at November 30, 2009, our current liabilities were $2,000,713 compared to current liabilities of $2,203,490 as at May 31, 2009. Our current liabilities consisted of: (i) $224,525 in accounts payable and accrued liabilities; and (ii) $1,776,188 in shareholder's loan and accrued interest. The slight decrease in current liabilities was primarily due to the decrease in shareholder's loan and accrued interest.

Stockholders' deficit decreased from ($1,981,405) as at May 31, 2009 to ($1,772,677) as at November 30, 2009.

We have not generated positive cash flows from operating activities. For the six month period ended November 30, 2009, net cash flow used in operating activities was ($49,946) compared to net cash flow used in operating activities of

($441,319) for the six month period ended November 30, 2008. Net cash flow used in operating activities during the six month period ended November 30, 2009 consisted primarily of a net loss of ($141,082) changed by ($183) in prepaid expenses, ($5,000) in increase in deposits, $87,385 change in accrued interest on shareholder's loan and $8,934 in accounts payable and accrued liabilities. Net cash flow used in operating activities during the six month period ended November 30, 2008 consisted primarily of a net loss of ($491,275) changed by ($430) in increase in deposits, ($24,506) in accounts payable and accrued liabilities and $74,892 in accrued interest on shareholder's loan.

During the six month period ended November 30, 2009, net cash flow provided by financing activities was $50,904 compared to net cash flow from financing activities of $495,000 for the six month period ended November 30, 2008. Net cash flow provided from financing activities during the six month period ended November 30, 2009 pertained to $350,000 received as proceeds on sale and subscriptions of common stock; $25,904 in proceeds from shareholder advances and a reduction of $325,000 due to payments made to shareholder advances. Net cash flow provided from financing activities during the six month period ended November 30, 2008 pertained to $495,000 received as proceeds from shareholder advances.

PLAN OF OPERATION

Existing working capital, further advances and possible debt instruments, anticipated warrant exercises, further private placements, and anticipated cash flow are expected to be adequate to fund our operations over the next six months. We have no lines of credit or other bank financing arrangements. Generally, we have financed operations to date through the proceeds of the private placement of equity and debt securities.

Additional issuances of equity or convertible debt securities will result in dilution to our current shareholders. Further, such securities might have rights, preferences or privileges senior to our common stock. Additional financing may not be available upon acceptable terms, or at all. If adequate funds are not available or are not available on acceptable terms, we may not be able to take advantage of prospective new business endeavors or opportunities, which could significantly and materially restrict our business operations.

During the six month period ended November 30, 2009, we received $350,000 towards a planned private placement of units to be offered at $0.05 per unit. Each unit is to consist of one share of our restricted common stock and one warrant to acquire an additional share of common stock at an exercise price of $0.25 for twelve months (the "Units(s)"). The private placement offering is under Regulation S of the Securities Act. On December 8, 2009, we issued an aggregate of 7,000,000 shares of our common stock at $0.05 per share in connection with the received share subscriptions. See "Part II. Item 2. Unregistered Sales of Equity Securities."

Subsequent to the six month period ended November 30, 2009, our Board of Directors authorized the settlement of debt with a certain creditor (the "Creditor"), which debt consisted of outstanding advances, loans and accrued interest and other amounts aggregating $1,776,188 (the "Debt"). The Debt was evidenced by that certain convertible promissory note dated December 4, 2009 in the principal amount of $1,776,188 issued to the Creditor evidencing the Debt (the "Convertible Promissory Note"). In accordance with the terms and provisions of the Promissory Note, in the event we were unable to repay the Debt, the Debt could be satisfied by way of conversion of the Debt into shares of our restricted common stock at the rate of $0.03 per share. Further effective on December 7, 2009, our Board of Directors authorized the issuance of an aggregate of 59,206,200 shares of our common stock. See "Part II. Item 2. Unregistered Sales of Equity Securities."

The report of the independent registered public accounting firm that accompanies our fiscal year end May 31, 2009 and May 31, 2008 audited financial statements contains an explanatory paragraph expressing substantial doubt about our ability to continue as a going concern. The financial statements have been prepared "assuming that we will continue as a going concern," which contemplates that we will realize our assets and satisfy our liabilities and commitments in the ordinary course of business.

MATERIAL COMMITMENTS

As of the date of this Quarterly Report and other than as disclosed below, we do not have any material commitments for fiscal year
2009/2010.

SHAREHOLDER LOAN

On November 14, 2006, one of our shareholders advanced to Petaquilla an aggregate of $100,000 on our behalf. Additional advances of $303,500 and $795,000 were received during fiscal years ended May 31, 2007 and May 31, 2008, respectively. During fiscal year ended May 31, 2009, an additional $540,000 was

advanced by the same shareholder under the same terms and conditions. During the six month period ended November 30, 2009, a further $25,904 was advanced by the same shareholder under the same terms and conditions. These amounts are unsecured, accrue interest at 10% per annum and have no established terms of repayment.

During the six month period ended November 30, 2009, an aggregate of $325,000 of accrued interest was repaid by us to the shareholder. Therefore, as at November 30, 2009, we owe an aggregate of $1,776,188 in principal and accrued interest.

PURCHASE OF SIGNIFICANT EQUIPMENT

We do not intend to purchase any significant equipment during the next twelve months.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this Quarterly Report, we do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Market risk represents the risk of loss that may impact our financial position, results of operations or cash flows due to adverse changes in foreign currency and interest rates.

EXCHANGE RATE

Our reporting currency is United States Dollars ("USD"). Since we have acquired properties outside of the United States, the fluctuation of exchange rates may have positive or negative impacts on our results of operations. However, any potential revenue and expenses will be denominated in U.S. Dollars, and the net income effect of appreciation and devaluation of the currency against the U.S. Dollar would be limited to our costs of acquisition of property.

INTEREST RATE

Interest rates in the United States are generally controlled. Any potential future loans will relate mainly to acquisition of properties and will be mainly short-term. However our debt may be likely to rise in connection with expansion and if interest rates were to rise at the same time, this could have a significant impact on our operating and financing activities. We have not entered into derivative contracts to hedge existing risks for speculative purposes.

ITEM 4. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

As of November 30, 2009 which is the end of the six month quarterly period covered by this Quarterly Report, our Chief Executive Officer and Chief Financial Officer reviewed and evaluated the effectiveness of our disclosure controls and procedures, as defined in Exchange Act Rule 13a-15(e) and 15d-15(e). As of the end of the quarterly period covered by this Quarterly Report, based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures were effective in ensuring that material information that we must disclose in our reports that we file or submit under the Securities Exchange Act of 1934, as amended, the "Exchange Act", is recorded, processed, summarized, and reported on a timely basis, and that information required to be disclosed by us in our reports that we file or submit under the Exchange Act is accumulated and communicated to our Chief Executive Officer and Chief Financial Officer as appropriate to allow timely decisions regarding required disclosure.

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Under the supervision and with the participation of our management, including the chief executive officer and chief financial officer, we evaluated the effectiveness of our internal control over financial reporting as of November 30, 2009. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control-Integrated Framework.

This Quarterly Report does not include an attestation report of our registered public accounting firm De Joya Griffith & Company, LLC., Certified Public Accountants regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to temporary rules of the SEC that permit us to provide only management's report in this Quarterly Report on Form 10-Q.

INHERENT LIMITATIONS ON EFFECTIVENESS OF CONTROLS

We believe that a control system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives, and our Chief Executive Officer and our Chief Financial Officer have concluded that these controls and procedures are effective at the "reasonable assurance" level.

CHANGES IN INTERNAL CONTROLS

There was no change in our internal control over financial reporting that occurred during this fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

AUDIT COMMITTEE REPORT

The Board of Directors has established an audit committee. The members of the audit committee are Mr. Marcus Johnson and Mr. Angelo Viard. One of the two members of the audit committee is "independent" within the meaning of Rule 10A-3 under the Exchange Act. The audit committee was organized on April 25, 2006 and operates under a written charter adopted by our Board of Directors.

The audit committee has reviewed and discussed with management our audited financial statements as of and for the six month period ended November 30, 2009. The audit committee has received and reviewed the written disclosures and the letter from De Joya Griffith & Company, LLC., Certified Public Accountants required by Independence Standards Board Standard No. 1, Independence Discussions with Audit Committees, as amended.

Based on the reviews and discussions referred to above, the audit committee has recommended to the Board of Directors that the reviewed financial statements referred to above be included in our Quarterly Report on Form 10-Q for the six month period ended November 30, 2009 filed with the Securities and Exchange Commission.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

STATEMENT OF CLAIM

On October 26, 2009, Stacey Kivel, former president of the Company filed a lawsuit of wrongful dismissal in the State of Nevada. During July 2007, we terminated the employment of Stacey Kivel, our then President, for cause. Subsequently, Ms. Kivel has made certain false allegations against us. Although we refute her allegations and believe termination was justified, it is possible that we may be exposed to a loss contingency, which cannot be reasonably estimated at this time. As of the date of this filing no significant progress has been made in resolution of the lawsuit.

On November 6, 2008, we filed a Writ of Summons and Statement of Claim (collectively, the "Statement of Claim") against St. Elias and John A. Brophy ("Brophy") in the Supreme Court of British Columbia. The Statement of Claim relates to the Property Option Agreement.

The Statement of Claim alleges the following claims: (i) in tort against Brophy alleging non-disclosure of material facts and complete and accurate information relating to the ownership of the Vilcoro Property and to the ownership of the adjacent property, including failing to disclose that Brophy and his wife had an

interest in the Vilcoro Property and the adjacent property, which entitles us to rescind the Property Option Agreement and return of an aggregate of $150,000 paid to St. Elias under the Property Option Agreement, an aggregate of $486,000 paid in exploration expenditures, and 50,000 shares of our common stock issued to St. Elias; (ii) breach of the Property Option Agreement relating to the failure by St. Elias to provide to us all data and information in its possession or under its control relating to St. Elias' exploration activities on and in the vicinity of the Vilcoro Properties; and (iii) breach of the Technical Services Agreement by failure of St. Elias to timely prepare and provide a budget or work programs or to expeditiously advance the work on the Vilcoro Properties and diversion by St. Elias of money, time and resources.

On December 23, 2008, a statement of defense was filed by St. Elias and Brophy denying the majority of the allegations made by us in our Statement of Claim. In addition, St. Elias and Brophy also filed a counter claim against us for abuse of process and punitive damages. All allegations by us, St. Elias and Brophy remain to be proved in court.

PETAQUILLA OPTION AGREEMENT

On February 27, 2007, we received notice pursuant to a news release from Petaquilla that the board of directors of Petaquilla resolved to rescind the Petaquilla Option Agreement. We are current in our obligations under the Petaquilla Option Agreement and dispute the alleged rescission and have advised Petaquilla that the Option is in good standing.

Therefore, in accordance with the terms and provisions of the Petaquilla Option Agreement, we filed a notice with the British Columbia International Commercial Arbitration Centre (the "BCICAC") seeking arbitration. On March 5, 2007, we filed a Statement of Claim with the BCICAC seeking specific performance of the Petaquilla Option Agreement and damages. On April 10, 2007, Petaquilla filed a Statement of Defense.

On March 14, 2008, we entered into the Settlement. Pursuant to the terms and provisions of the Settlement: (i) Petaquilla shall issue 100,000 shares of its common stock to us, which shares shall be released from pool in four equal monthly tranches beginning on the first commercial pour of gold at the Molejon Gold Mine or December 31, 2008, whichever comes first, and which shares shall be subject to a two business day right of first refusal for Petaquilla to find a buyer or five business days if the sale is private; (ii) the 4,000,000 shares of the restricted common stock previously issued by us to Petaquilla in accordance with the terms and provisions of the First Option shall be returned to us (which as of the date of this Quarterly Report has been returned); and (iii) the

$100,000 paid by us on approximately November 17, 2006 in order to exercise the initial portion of the Option was returned to us.

On April 11, 2008, we entered into the Release pursuant to which the terms of the Settlement were acknowledged. In accordance with the terms and provisions of the Release, the parties agreed to release each other and their respective directors, officers, employees, agents and assigns from any and all causes of action, claims and demands of any nature or kind whatsoever arising up to the present date relating to the Petaquilla Option Agreement and to any of the subject matter of the arbitration proceedings. It is anticipated that the pending arbitration proceedings will be dismissed with the British Columbia International Commercial Arbitration Center.

As of May 31, 2008, we received $100,000 and the return of the 4,000,000 restricted shares of our common stock with an estimated fair value of $5,440,000. As of the date of this Quarterly Report, we have received all of the 100,000 common shares receivable from Petaquilla, previously valued at $270,000. As of November 30, 2009, the 100,000 shares received had an estimated fair value of $54,810 ($0.548 per share).

CEASE TRADE ORDER OF THE BRITISH COLUMBIA SECURITIES COMMISSION

Our shares of common stock are registered under Section 12(g) of the Securities Exchange Act of 1934, as amended. We, therefore, file annual and other reports with the Securities and Exchange Commission. On November 29, 2007 , we received a cease trade order (the "CTO") from the British Columbia Securities Commission (the "BCSC"), which is limited to the Province of British Columbia, for not filing a technical report under Canadian National Instrument 43-101 STANDARDS OF DISCLOSURE FOR MINERAL PROJECTS ("NI 43-101") respecting certain previous disclosure regarding certain of our material property interests. As a consequence of the CTO, we are now seeking legal advice in connection with this matter and expect to be in communication with the BCSC promptly in order to determine the exact manner in which we will be able to satisfy the requirements of NI 43-101, as required by the parameters as set forth for foreign issuers under Canadian National Instrument 71-102 CONTINUOUS DISCLOSURE AND OTHER EXEMPTIONS RELATING TO FOREIGN ISSUERS.

Management is not aware of any other legal proceedings contemplated by any governmental authority or any other party involving us or our properties. As of the date of this Quarterly Report, no director, officer or affiliate is (i) a party adverse to us in any legal proceeding, or (ii) has an adverse interest to us in any legal proceedings. Management is not aware of any other legal proceedings pending or that have been threatened against us or our properties.

ITEM 1A. RISK FACTORS

No report required.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES

PRIVATE PLACEMENT OFFERING

Effective on December 8, 2009, our Board of Directors completed a private placement offering (the "Private Placement") with certain non-United States residents (collectively, the "Investors"). In accordance with the terms and provisions of the Private Placement, we issued to the Investors an aggregate of 7,000,000 shares of common stock at a per share price of $0.05 for aggregate proceeds of $350,000.

The shares of common stock under the Private Placement were sold to non-United States Investors in reliance on Regulation S promulgated under the Securities Act. The Private Placement has not been registered under the Securities Act or under any state securities laws and may not be offered or sold without

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registration with the United States Securities and Exchange Commission or an applicable exemption from the registration requirements. The Investors each executed a subscription agreement and acknowledged that the securities to be issued have not been registered under the Securities Act, that they understood the economic risk of an investment in the securities, and that they had the opportunity to ask questions of and receive answers from our management concerning any and all matters related to acquisition of the securities.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

No report required.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE TO SECURITY HOLDERS

No report required.

ITEM 5. OTHER INFORMATION

SETTLEMENT OF DEBT

Effective on December 7, 2009, our Board of Directors authorized the settlement of debt with the Creditor, which debt consisted of outstanding advances, loans and accrued interest and other amounts aggregating $1,776,188 (the "Debt"). The Debt was evidenced by that certain convertible promissory note dated December 4, 2009 in the principal amount of $1,776,188 issued to the Creditor evidencing the Debt (the "Convertible Promissory Note"). In accordance with the terms and provisions of the Promissory Note, in the event we were unable to repay the Debt, the Debt could be satisfied by way of conversion of the Debt into shares of our restricted common stock at the rate of $0.03 per share. Subsequently, the Creditor entered into those certain assignments dated December 4, 2009 (collectively, the "Assignments") with those certain twelve assignees (collectively, the "Assignees"), pursuant to which the Creditor assigned a proportionate right of its title and interest in and to the Debt and the Convertible Note to the Assignees. On December 7, 2009, we received those certain notices of conversion dated December 7, 2009 from the respective Assignees (collectively, the "Notices of Conversion"), pursuant to which the Assignees were converting their respective right, title and interest in and to Debt and the Convertible Note into shares of Common Stock at the rate of $0.03 per share.

Further effective on December 7, 2009, our Board of Directors authorized the issuance of an aggregate of 59,206,200 shares of our common stock proportionately to the Assignees in accordance with the terms and provisions of the Notices of Conversion. The shares of common stock were issued to twelve non-United States residents in reliance on Regulation S promulgated under the United States Securities Act of 1933, as amended (the "Securities Act"). The shares of common stock have not been registered under the Securities Act or under any state securities laws and may not be offered or sold without registration with the United States Securities and Exchange Commission or an applicable exemption from the registration requirements. The Assignees each acknowledged that the securities to be issued have not been registered under the Securities Act, that they understood the economic risk of an investment in the securities, and that they had the opportunity to ask questions of and receive answers from our management concerning any and all matters related to acquisition of the securities.

DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF PRINCIPAL OFFICERS

Effective on December 11, 2009, our Board of Directors accepted the resignation of Betrand Taquet dated December 11, 2009 as a member of our Board of Directors. There were no disagreements or disputes between us and Mr. Taquet. Effective as of December 11, 2009, the Board accepted the consent of Angelo Viard as a member of our Board of Directors. Therefore, the Board of Directors is comprised of Marcus Johnson, D. Bruce Horton and Angelo Viard.

ANGELO VIARD. During the past ten years, Mr. Viard has been involved in providing companies with advisory services including, but not limited to, managerial, investment strategy, finance, information technology, compliance, accounting, business development, mergers and acquisitions, and capital fund raising in a wide range of industry sectors across the United States, South America and Europe. From approximately June 2007 through current date, Mr. Viard has been the president/chief executive officer of VCS Group, Inc. formerly known as "Viard Consulting Services". His role as director of advisory services requires development of an advisory services sector. Mr. Viard's functions include full budgeting responsibilities, management of budgets and planning, creation of policies and administrative procedures to restructure business processes, authoring multi-company employee manuals, design work order tracking and billing interface systems for accounting, and updating business plans, accounting structures and organizational changes to maximize business growth. From approximately August 2006 through June 2007, Mr. Viard was the IT operations manager for Bare Escentuals where he was responsible for developing and coordinating multiple related projects in alignment with strategic and tactical company goals, served as a primary customer advocate, planned and coordinated long term systems strategy, and managed the day to day operations of the IT department, including LAN/WAN architecture, telecommunications and hardware/software support and development. From approximately August 2005 through August 2006, Mr. Viard was a senior IT audit consultant for PricewaterhouseCoopers LLP where he was responsible for determining the audit documentation, strategy and plan. From approximately December 2004 through August 2005, Mr. Viard was the chief executive officer and founder of Technology Mondial Inc., which was a start-up company specializing in broadband wireless technology in Costa Rica and management and development of wireless connection planning for Latin America. Mr. Viard was also previously employed with OpenTV Inc, where he was manager of information system and technology, Thomas Weisel Partners LLC where he was an information technology brokerage services manager, BancBoston Robertson Stephens & Co. where he was a senior system engineer, and Environmental Chemical Corporation where he was a technical analyst.

Mr. Viard is also a member of the Board of Directors of Morgan Creek Energy Corp., a company traded on the Over-the-Counter Bulletin Board. Mr. Viard holds a master in computer science, a BS in business management and administration, and an A/A in computer business administration and network.

ITEM 6. EXHIBITS

The following exhibits are filed with this Quarterly Report on Form 10-Q:

EXHIBIT NUMBER	DESCRIPTION OF EXHIBIT
10.1	Letter Agreement between Geneva Resources Inc. and Glenn Patrick Schmitz dated November 20, 2009.
31.1	Certification of the registrant's Principal Executive Officer under the Exchange Act Rules 13a-14(a) or 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act 2002.
31.2	Certification of the registrant's Principal Financial Officer under the Exchange Act Rules 13a-14(a) or 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act 2002.
32.1	Certification of the registrant's Principal Executive Officer and Principal Financial Officer under 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act 2002.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: January 12, 2010

GENEVA RESOURCES, INC.

By: /s/ MARCUS JOHNSON

Marcus Johnson, President/Chief Executive Officer

Dated: January 12, 2010

By: /s/ D. BRUCE HORTON

D. Bruce Horton,
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Dated: January 12, 2010 By: /s/ MARCUS JOHNSON

Director

Dated: January 12, 2010 By: /s/ D. BRUCE HORTON

Director

Dated: January 12, 2010 By: /s/ ANGELO VIARD

Director