MOSAM CAPITAL CORP.

FINANCIAL STATEMENTS
(Stated in Canadian Dollars)

JANUARY 31, 2009 AND 2008

AUDITOR'S REPORT

BALANCE SHEETS

STATEMENTS OF OPERATIONS, COMPREHENSIVE INCOME AND DEFICIT

STATEMENTS OF CASH FLOWS

NOTES TO FINANCIAL STATEMENTS

MINNI, CLARK & COMPANY
CERTIFIED GENERAL ACCOUNTANTS

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AUDITORS' REPORT

To the Shareholders,
Mosam Capital Corp.

We have audited the balance sheets of MOSAM CAPITAL CORP. as at January 31, 2009 and 2008 and the statements of operations, comprehensive income and deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at January 31, 2009 and 2008 and the results of its operations and changes in its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

"MINNI, CLARK & COMPANY"
CERTIFIED GENERAL ACCOUNTANT

Vancouver, Canada
May 19, 2009

MOSAM CAPITAL CORP.

BALANCE SHEET AS AT JANUARY 31, 2009 AND 2008

ASSETS

	2009	2008
CURRENT		
Cash and cash equivalents	$ 313,351	$ 280,038
Interest receivable	37,330	8,924
Short term investment (Note 4)	1,000,000	817,145
Deposits	-	1,500
GST receivable	9,640	7,228
	$ 1,360,321	$ 1,114,835

LIABILITIES

	2009	2008
CURRENT		
Accounts payable and accrued liabilities	$ 19,365	$ 7,000

SHAREHOLDERS' EQUITY

	2009	2008
SHARE CAPITAL (Note 6)	1,457,590	1,299,048
CONTRIBUTED SURPLUS (Note 6)	108,414	164,156
DEFICIT	(225,048)	(355,369)
	1,340,956	1,107,835
	$ 1,360,321	$ 1,114,835

Nature of Operations (Note 1)

APPROVED BY THE DIRECTORS:

"Brian Kerzner"

"Robert Baxter"

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

MOSAM CAPITAL CORP.

STATEMENTS OF OPERATIONS, COMPREHENSIVE INCOME AND DEFICIT

FOR THE YEAR ENDED JANUARY 31, 2009 AND 2008

	2009	2008
EXPENSES		
Bank charges and interest	$ 209	$ 227
Office and rent	7,086	21,836
Professional fees	45,051	11,573
Property evaluation	35,303	-
Regulatory fees	18,880	8,583
Transfer agent	4,684	4,663
Travel and promotion	-	737
	111,213	47,619
OTHER EXPENSES (INCOME)		
Interest	(41,534)	(13,115)
Gain on short term investments	-	(15,835)
Provision (recovery) for impairment of short term investments	(200,000)	200,000
	(241,534)	171,050
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	130,321	(218,669)
DEFICIT, BEGINNING OF THE YEAR	(355,369)	(136,700)
DEFICIT, END OF THE YEAR	$ (225,048)	$ (355,369)
Basic and diluted earnings per common share	$ 0.01	$ (0.02)
Weighted average number of common shares outstanding	9,706,403	8,750,000

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

MOSAM CAPITAL CORP.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED JANUARY 31, 2009 AND 2008

	2009	2008
OPERATING ACTIVITIES		
Net loss for the year	$ 130,321	$ (218,669)
Gain on short-term investments	-	(15,835)
Item not involving cash:		
Provision (recovery) for impairment of short-term investment	(200,000)	200,000
Changes in non-cash working capital items:		
Interest receivable	(28,406)	(8,924)
Deposit	1,500	(1,500)
GST receivable	(2,412)	(2,381)
Accounts payable and accrued liabilities	12,365	3,000
Due to related parties	-	(3,049)
	(86,632)	(47,358)
INVESTING ACTIVITIES		
Short term investments (net)	17,145	(1,001,310)
FINANCING ACTIVITIES		
Proceeds from common shares issued	102,800	-
Share issue costs	-	1,516
	102,800	1,516
INCREASE (DECREASE) IN CASH	33,313	(1,047,152)
CASH, BEGINNING OF THE YEAR	280,038	1,327,190
CASH, END OF YEAR	$ 313,351	$ 280,038

SUPPLEMENTAL CASH FLOW INFORMATION:

Cash paid during the year:		
Interest	$ -	$ -
Income taxes	$ -	$ -
Financing activity:		
Share issue costs	$ -	$ -

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

1. NATURE OF OPERATIONS

The Company was incorporated under the provisions of the Business Corporations Act (British Columbia) on February 1, 2006.

The Company is a capital pool company pursuant to the policies of the TSX Venture Exchange ("Exchange"). The Company is in the development stage and its principal business is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction as defined by the rules of the Exchange. Such a transaction will be subject to shareholder and regulatory approval.

The Company's continuing operations are dependent upon its ability to identify, evaluate and negotiate a Qualifying Transaction. If the Qualifying Transaction is identified or completed, additional funding may be required and there is no assurance that the Company will be able to obtain such financing, if any, on reasonable terms.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Estimates, Assumptions and Measurement Uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant areas requiring the use of management estimates relate to the impairment of mineral property interests and the determination of reclamation obligations. Actual results could differ from those estimates. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

b) Financial Instruments

The Company's financial instruments include cash, interest receivable, short term investments, deposits, GST receivable, accounts payable, and due to directors. In management's opinion, the Company is not exposed to significant interest rate, currency exchange rate, liquidity or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values because of their current nature. The Company is not exposed to derivative financial instruments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

b) Financial Instruments - continued

The Company classifies financial assets and liabilities as held-for-trading, available-for-sale, held-to maturity, loans and receivables or other financial liabilities depending on their nature. Financial assets and financial liabilities are recognized at fair value on their initial recognition, except for those arising from certain related party transactions which are accounted for at the transferor's carrying amount or exchange amount in accordance with the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3840 – Related Party Transactions.

The Company classified its cash as held-for-trading, receivables and deposits as other financial assets and its accounts payable as other financial liabilities.

c) Basic and Diluted Loss Per Share

Basic loss per share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year. Diluted loss per share reflects the potential dilution that could occur if potentially dilutive securities were exercised or converted to common stock. The dilutive effect of options and warrants and their equivalent is computed by application of the treasury stock method and the effect of convertible securities by the "if converted" method. Fully diluted amounts are not presented when the effect of the computations are anti-dilutive. Accordingly, there is no difference in the amount presented for basic and diluted loss per share.

d) Cash and cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents.

e) Stock-based Compensation

The Company applies the fair value method of stock-based payments to all awards that are direct awards of stock, that call for settlement in cash or other assets or are stock appreciation rights that call for settlement by the issuance of equity instruments. Compensation expense is recognized over the applicable vesting period with a corresponding increase in contributed surplus. When the options are exercised, the exercise price proceeds together with the amount initially recorded in contributed surplus are credited to share capital.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

f) Income Taxes

The Company accounts for income taxes using the asset and liability method, whereby future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantially enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment. Future income tax assets are recognized to the extent that they are considered more likely than not to be realized. The valuation of future income tax assets is adjusted, if necessary, by the use of a valuation allowance to reflect the estimated realizable amount. At October 31, 2008, the Company recognized a valuation allowance equal to the full amount of net future tax asset.

g) Risk Management

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

The Company is not exposed to significant credit concentration or interest rate risk. The Company's functional currency is the Canadian dollar. All current operations occur within Canada. There is currently no significant foreign exchange risk to the Company.

h) Comprehensive loss

Comprehensive loss reflects net loss and other comprehensive income (loss) for the period. Other comprehensive income (loss) includes changes in unrealized foreign currency translation amounts arising from self-sustaining foreign operations, unrealized gains and losses on available-for-sale assets and changes in the fair value of derivatives designated as cash flow hedges to the extent they are effective.

i) Hedges

This standard is applicable when a company chooses to designate a hedging relationship for accounting purposes. It builds on the previous AcG-13, "Hedging Relationships", and CICA 1650, "Foreign Currency Translation", by specifying how hedge accounting is applied and what disclosures are necessary when it is applied. The Company had no hedging relationships as at January 31, 2009 and 2008.

3. CHANGES IN ACCOUNTING POLICIES

Effective on February 1, 2008, the Company adopted the Canadian Institute of Chartered Accounts ("CICA") Handbook Section 3862, "Financial Instruments – Disclosure" and Section 3863, "Financial Instruments – Presentation". These sections carry forward the former presentation requirements and increase the emphasis on recognition and management of the risks associated with recognized and unrecognized financial instruments. The adoption of these sections had no impact on the financial position or net earnings for the year ended January 31, 2009.

Effective on February 1, 2008, the Company adopted the CICA Handbook Section 1535 "Capital Disclosures", which requires disclosure of information about an entity's capital and its objectives, policies and process for managing capital.

Effective on February 1, 2008 the Company adopted CICA Handbook Section 1400, "General Standards of Financial Statement Presentation". This section provides revised guidance on management's responsibility to assess and disclose the Company's ability to continue as a going concern. The adoption of this section had no significant impact on the Company's financial statements.

Recent accounting pronouncements

In February 2008, the CICA Accounting Standards Board (AcSB") adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies will converge with International Financial Reporting Standards ("IFRS"). The Company continues to monitor and assess the impact of convergence of Canadian GAAP and IFRS.

In 2008, the Accounting Standards Board issued Handbook Section 3064, "Goodwill and Intangible Assets", which replaces Section 3062, "Goodwill and Intangible Assets", and Section 3450, "Research and Development Cost". Section 3064 establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. This new standard is effective for the Company's interim and annual financial statements commencing January 1, 2009. The Company is currently assessing the impact of the new standard and has not yet determined its effect on the Company's financial statements.

4. SHORT TERM INVESTMENTS

The Company continues to hold $1,000,000 investment in short-term investment issued by trust sponsored and managed by non-bank entities. The underlying security represents secured debt obligations commonly known as "Asset Backed Commercial Paper" ("ABCP"). In mid August 2007, a number of sponsors on non-bank managed ABCP, including those with which the Company had invested, announced that they could not place ABCP due to un-favourable conditions in the Canadian capital markets. Since then various proposals have been put forward with respect to a settlement or payment plan arrangement, subject to court and regulatory approval.

During the year ended January 31, 2008 management estimates the fair market value of impairment according to CICA Handbook Section 3855. Potential investors for similar notes will expect a higher than average return. Based on the fair value estimate of the recoverability of the investment, the Company recorded an impairment charge on the statement of operation of $200,000. During the year ended January 31, 2009 an arrangement was approved where the Company is to received the full value of the ABCP. As a result the Company recorded a recovery of $200,000 on the statement of operation during the year ended January 31, 2009

See Note 8.

5. RELATED PARTY TRANSACTIONS

During the year ended January 31, 2009, the Company entered into the following transactions with related parties:

a) Paid or accrued $29,146 (2008 - $2,898) for legal fees to a company controlled by an officer of the Company.

b) Paid or accrued $1,500 (2008 - $18,000) for rent and office expenses to a company having former directors and officers in common.

c) Paid $4,200 (2008 - $2,500) for office expense to a company having former directors and officers in common.

6. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

5. SHARE CAPITAL - continued

(b) Issued and fully paid:

	Number of Shares	Amount	Contributed Surplus
Balance, January 31, 2007 and January 31, 2008	8,750,000	$ 1,299,048	$ 164,156
Stock options exercised	316,000	63,200	-
Agents warrants exercised	198,000	39,600	-
Non-cash compensation on:			
Stock options	-	39,280	(39,280)
Agents warrants	-	16,462	(16,462)
Balance, January 31, 2009	9,264,000	$ 1,457,590	$ 108,414

(c) Stock options and charitable options

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Such options will be exercisable for a period of up to 5 years from the date of grant.

In connection with the foregoing, the number of common shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding common shares. Any common shares acquired pursuant to the exercise of options prior to completion of the Qualifying Transaction, must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued.

5. SHARE CAPITAL - continued

c) Stock options and charitable options - continued

A summary of the status of the stock option plan as at January 31, 2009 and 2008 and changes during the years ended on these dates is presented below:

	2009		2008	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Outstanding, beginning of year	962,000	$ 0.20	962,000	$ 0.20
Exercised	(316,000)	$ 0.20	-	-
Outstanding, end of year	646,000	$ 0.20	962,000	$ 0.20

At January 31, 2009 the following share purchase options were outstanding entitling the holders to purchase one common share of the Company for each option held:

Number of Options	Exercise Price	Expiry Date
559,000	$ 0.20	November 30, 2011
87,000	$ 0.20	November 30, 2016

d) Warrants

A summary of the warrants as of November 30, 2008 and changes during the year then ended is presented below:

	2009		2008	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Outstanding, beginning of year	500,000	$ 0.20	500,000	$ 0.20
Exercised	(148,000)	$ (0.20)	-	-
Expired	(302,000)	-	-	-
Outstanding, end of year	-	$ -	500,000	$ 0.20

5. SHARE CAPITAL - continued

(e) Escrow Shares

As at January 31, 2009, 2,400,000 (2008 – 2,400,000) common shares of the Company are subject to escrow. Under the escrow agreement, 10% of the escrowed common shares will be released from escrow following issuance of the final Exchange bulletin ("Final Exchange Bulletin") upon completion of the Qualifying Transaction and 15% will be released every six months thereafter over a period of thirty six months. If the Company meets the Exchange's Tier 1 status after receipt of the Final Exchange Bulletin, the release of escrow shares is accelerated.

6. INCOME TAXES

At January 31, 2009 and 2008 the tax effects of the significant components with the Company's future income tax assets are as follows:

	2009	2008
Future income tax assets		
Non-capital losses	$ 56,109	$ 28,851
Share issue costs	28,950	47,321
	85,059	76,172
Less:		
Valuation allowance	(85,059)	(76,172)
Net future income tax assets	$ -	$ -

The Company has non-capital tax loss carry forwards of approximately $164,542 (2008 - $82,433) and share issue costs of $84,898 (2008 - $135,202) that are available to reduce taxable income in future periods. These tax loss carry forwards expire between 2017 and 2029.

Due to uncertainty surrounding the realization of future income tax assets, the Company has recognized a 100% valuation allowance against its future income tax assets.

8. SUBSEQUENT EVENT

Subsequent to January 31, 2009 the Company issued received the $1,000,000 on its investments of its Assets Backed Commercial Paper. (See Note 4).

9. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Company does not have any externally imposed capital requirements to which it is subject.

As at January 31, 2009 the Company had capital resources consisting mainly of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristic of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue common shares or dispose of assets or adjust the amount of cash.

10. ACQUISITION OF MINERAL PROPERTY

During the year the Company has entered into an option agreement with Full Metal Minerals (USA) Inc. ("Full Metals") to acquire a 60% interest in certain mineral claims, commonly referred to as the Mount Andrew Property. Under the terms of the agreement the Company agreed to pay $50,000 and issue 250,000 shares at a value of $0.16 per share on exchange approval of the agreement. The Company is seeking regulatory approval for the acquisition.