

MOSAM CAPITAL CORP.

FINANCIAL STATEMENTS
(Stated in Canadian Dollars)

Three and Nine Months Ended October 31, 2009

(Unaudited – Prepared by Management)

MOSAM CAPITAL CORP.

(the "Company")

**INTERIM FINANCIAL STATEMENTS
Three and nine months ended October 31, 2009**

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

December 22, 2009

MOSAM CAPITAL CORP

Balance Sheets

(Unaudited – Prepared by Management)

(Stated in Canadian dollars)

| | October 31, 2009 | January 31, 2009 |
|---|------------------|------------------|
| Assets | | |
| Current | | |
| Cash and cash equivalents | \$ 64,353 | \$ 313,351 |
| Receivables | 16,597 | 46,970 |
| Short term investment (note 4) | 1,000,000 | 1,000,000 |
| | 1,080,950 | 1,360,321 |
| Mineral properties (note 5) | 101,800 | - |
| | \$ 1,182,750 | \$ 1,360,321 |
| Liabilities and Shareholders' Equity | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | \$ 120,521 | \$ 19,365 |
| | 120,521 | 19,365 |
| Shareholders' equity: | | |
| Contributed surplus | 108,414 | 108,414 |
| Share capital (note 6) | 1,497,590 | 1,457,590 |
| Deficit | (543,775) | (225,048) |
| | 1,062,229 | 1,340,956 |
| | \$ 1,182,750 | \$ 1,360,321 |

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 and Deficit
(Unaudited – Prepared by Management)
(Stated in Canadian Dollars)

| | Three months ended | Three months ended | Nine months ended | Nine months ended |
|---|-----------------------|-----------------------|----------------------|----------------------|
| | Oct 31, 2009 | Oct 31, 2008 | Oct 31, 2009 | Oct 31, 2008 |
| Exploration expenditures | \$ 213,190 | - | \$ 253,343 | - |
| General and administrative expenses | | | | |
| Office | 8,621 | 381 | 9,175 | 11,623 |
| Professional fees | 14,774 | 6,465 | 35,340 | 23,088 |
| Project evaluation | - | 22,894 | 7,945 | 22,894 |
| Regulatory fees | 750 | 300 | 14,588 | 10,375 |
| Transfer agent | 720 | 950 | 2,396 | 3,170 |
| | 24,865 | 30,990 | 69,444 | 71,150 |
| Loss before other items | 238,055 | 30,990 | 238,055 | 71,150 |
| Other items: | | | | |
| Interest income | 1,638 | 1,017 | 4,060 | 4,457 |
| Net loss for the period | (236,417) | (29,973) | (318,727) | (66,694) |
| Deficit, beginning of period | (307,358) | (392,090) | (225,048) | (355,369) |
| Deficit, end of period | \$ (543,775) | \$ (422,063) | \$ (543,775) | \$ (422,063) |
| Basic and diluted loss per common share | \$ (0.02) | \$ - | \$ (0.03) | \$ - |
| Weighted average number of shares outstanding | 9,514,000 | 8,978,100 | 9,398,191 | 8,978,100 |

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

MOSAM CAPITAL CORP.

Statements of Cash Flows

(Unaudited-Prepared by Management)

(Stated in Canadian Dollars)

| | Three months ended October 31, | | Nine months ended October 31, | |
|--|--------------------------------|-------------|-------------------------------|-------------|
| | 2009 | 2008 | 2009 | 2008 |
| Cash flows from (used in) operating activities | | | | |
| Loss for the period | \$ (236,417) | \$ (29,973) | \$ (318,727) | \$ (66,694) |
| Items not affecting cash: | | | | |
| Shares issued for option payment | - | - | 40,000 | - |
| Changes in non-cash working capital items: | | | | |
| Receivables | (2,411) | (385) | 30,373 | 6,999 |
| Accounts payable and accrued liabilities | 68,258 | 3,000 | 101,156 | 6,483 |
| | (170,570) | (27,358) | (147,198) | (53,212) |
| Cash flows from (used in) investing activities | | | | |
| Mineral property option payments | - | - | (101,800) | - |
| Short term investments | - | - | - | 16,710 |
| | - | - | (101,800) | 16,710 |
| Financing: | | | | |
| Shares issued for cash | - | - | - | 102,800 |
| Share issue costs | - | - | - | - |
| | - | - | - | 102,800 |
| Increase (decrease) in cash and cash equivalents | (170,570) | (27,358) | (248,998) | 66,298 |
| Cash and cash equivalents, beginning of period | 234,923 | 373,694 | 313,351 | 280,038 |
| Cash and cash equivalents, end of period | \$ 64,353 | \$ 346,336 | \$ 64,353 | \$ 346,336 |
| Supplementary information: | | | | |

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

MOSAM CAPITAL CORP.

Notes to Financial Statements, page 1
(Unaudited – Prepared by management)

Three and Nine months ended October 31, 2009

1. **Nature of operations:**

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

The Company's principal business activities are the acquisition, exploration and development of mineral properties. The Company's continuing operations and the ability of the Company to meet its mineral property commitments are dependent upon the ability of the Company to raise additional equity, debt financing and seeking joint venture partners.

On October 10, 2008 the Company entered into a letter of intent with Full Metal Minerals (USA) Inc. ("Full Metal"), to acquire an option to earn an undivided 60% interest in and to the mineral properties comprising Full Metal's "Mount Andrew Property" located approximately 48 km west north-west of Ketchikan, Alaska (the "Acquisition"). The Acquisition constituted the Company's Qualifying Transaction and acceptance of the TSX Venture Exchange was received on June 8, 2009.

The Company is currently exploring its mineral properties and has not yet determined whether its mineral properties contain reserves that are economically recoverable. The recoverability of amounts capitalized for mineral properties is dependent upon the discovery of sufficient economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral properties, the ability of the Company to arrange appropriate financing or seek joint venture partners to complete the development of the mineral properties and upon future profitable production or proceeds from the sale of the mineral properties.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

2. **Basis of Presentation**

These unaudited interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial statements. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for annual financial statements. In the opinion of management, the accompanying financial information reflects all adjustments, consisting primarily of normal and recurring adjustments considered necessary for fair presentation of the results for the interim periods presented. Operating results for the nine months ended October 31, 2009 are not necessarily indicative of the results that may be expected for the year ending January 31, 2010. These interim consolidated financial statements follow the same accounting policies as the annual financial statements of the Company for fiscal 2009. Accordingly, these financial statements should be read in conjunction with the audited annual financial statements, and notes thereto, for the year ended January 31, 2009.

Goodwill and intangible assets

Effective February 1, 2009, the Company adopted CICA Handbook Section 3064, "Goodwill and Intangible Assets", which replaced Section 3062, "Goodwill and Other Intangible Assets". The new standard establishes revised standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The new standard also provides guidance for the treatment of pre-production and start-up costs and requires that these costs be expensed as incurred. Adoption of this new accounting standard did not affect the Company's consolidated financial statements.

MOSAM CAPITAL CORP.

Notes to Financial Statements, page 2
(Unaudited – Prepared by management)

Three and Nine months ended October 31, 2009

Credit risk and the fair value of financial assets and liabilities

On January 20, 2009, the CICA issued EIC abstract 173 which establishes that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. The adoption of this abstract did not have a significant impact on the Company's financial statements.

3. Recent Accounting Pronouncements

Business Combinations and Related Sections

In January 2009, the CICA issued CICA Handbook Section 1582, "Business Combinations", Section 1601, "Consolidations", and Section 1602, "Non-Controlling Interests". These sections replace the former Section 1581, "Business Combinations", and Section 1600, "Consolidated Financial Statements", and establish a new section for accounting for a non-controlling interest in a subsidiary. Section 1582 establishes standards for the accounting for a business combination, and states that all assets and liabilities of an acquired business will be recorded at fair value. Obligations for contingent considerations and contingencies will also be recorded at fair value at the acquisition date. The standard also states that acquisition-related costs will be expensed as incurred and that restructuring charges will be expensed in the periods after the acquisition date. It provides the Canadian equivalent to IFRS 3, Business Combinations (January 2008). The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011.

Section 1601 establishes standards for the preparation of consolidated financial statements.

Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in the preparation of consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS International Accounting Standards ("IAS") 27, Consolidated and Separate Financial Statements (January 2008).

Sections 1601 and 1602 apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Earlier adoption of these sections is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. The Company is currently evaluating the impact of the adoption of these sections.

International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian generally accepted accounting principles with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own generally accepted accounting principles. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended January 31, 2011. The Company has completed a scoping study which identifies the mandatory and optional exemptions from retrospective application of IFRS accounting policies and provides a comparison of the Company's current accounting policies with those prescribed under IFRS. The Company is reviewing and assessing this information but has not determined the impact on the consolidated financial statements at this time.

MOSAM CAPITAL CORP.

Notes to Financial Statements, page 3
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Three and Nine months ended October 31, 2009

4. Short-term Investment

The Company's short-term investment consists of a C\$1,000,000, 0.65% GIC, due March 16, 2010.

5. Mineral Properties

Mineral properties – acquisition costs

| | October 31, 2009 | January, 2009 |
|-----------------------|------------------|---------------|
| Mount Andrew Property | \$ 101,800 | \$ - |
| | \$ 101,800 | \$ - |

Mount Andrew Property

The Company has an agreement with Full Metal Minerals (USA) Inc. ("Full Metal") whereby it has an option to earn an undivided 60% interest in and to the mineral properties comprising Full Metal's "Mount Andrew Property" located approximately 48 km west north-west of Ketchikan, Alaska.

Property Highlights

The Mount Andrew copper-iron deposit is located on the Kasaan Peninsula on the east side of Prince of Wales Island. The property is comprised of 15 patented federal mining claims totaling 101.5 hectares. The patented mining claims are owned by a private group, the Mount Andrew Mining Company ("MAMC"), which have no encumbrances to the title. All lands in the area of interest are privately owned through either patented mining claims or by Alaskan Native Corporations.

The historic surface workings at Mount Andrew are at the 410-meter to 435-meter elevations although there are other prospects and workings at lower elevations on the patented claims. Copper ore was first discovered on the Kasaan Peninsula by the Russians about 1865, and the first lode claims in Alaska were allegedly staked in 1867 on the Copper Queen prospect, a mile southeast of the present location of Kasaan village. The Mamie and Mount Andrew mines in the Mount Andrew's area were discovered in 1898-99 with eventual production from these two mines and the Stevenstown mine located between them totaling 5729 mt copper, 1.74 mt silver and 216 kg gold. The last production at each property was in 1918.

The Mount Andrew deposit was drilled extensively by Utah Construction & Mining (later Utah International, and now part of BHP-Billiton) (Utah) in 1957, 1958, 1960 and 1961. In 1962 Utah conducted geologic and geophysical surveys in the area, and in 1971-1972 Kaiser Resources (Kaiser) drilled the property under option from Utah. 2006 work by Full Metal Minerals included limited confirmation drilling (5 holes) in the compound mineralized zone and confirmation and exploration drilling in the North Zone. In 2007 an additional 13 holes were drilled, two in the compound mineralized zone, seven in the North Zone, one at the Peacock prospect, and three at the Rico prospect.

Exploration potential at Mount Andrew is found in the compound mineralized zone and the North Zone as presently defined, and at depths below 100 meters in both the compound mineralized zone and the North Zone. Additional potential may be present in untested or minimally tested zones near the historic Rico, Good Luck-Mayflower, Commonwealth, and Glory and North Star prospects.

MOSAM CAPITAL CORP.

Notes to Financial Statements, page 4
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Three and Nine months ended October 31, 2009

The foregoing technical disclosure, including results of the previous exploration conducted by Full Metals, has been reviewed and compiled by Robert McLeod, M.Sc., P. Geo., who is the Vice-President, Exploration of Full Metals and is a "Qualified Person" for the purpose of NI 43-101. All geological information provided on the Mt. Andrew Property, has been provided by management of Full Metal.

The Company anticipates carrying out a Phase 1 drilling program of approximately CA\$200,000, including core drilling, mapping, soil sampling and additional gravity, with a second phase contingent on the results of Phase 1.

The terms of the option are as follows:

| | Payments | Shares | Expenditures |
|-------------|----------------------|---------------------|------------------------|
| First Year | \$50,000 (completed) | 250,000 (completed) | \$ 200,000 (completed) |
| Second Year | \$25,000 | 250,000 shares | \$ 400,000 |
| Third Year | \$25,000 | 250,000 shares | \$1,000,000 |
| Fourth Year | \$25,000 | 250,000 shares | \$1,400,000 |

Following the exercise of the option by the Company, the Company and Full Metals will continue under a joint venture.

Full Metal acquired an option to purchase a 100% interest in the Mt. Andrew Property in October 2006 from MAMC by completing exploration programs totaling US\$800,000 (US\$100,000 first year) over four years, paying US\$210,000 in cash (US\$30,000 first year) followed by annual US\$50,000 in Advanced Royalty payments until the commencement of Commercial Production. Upon commencement of commercial production, Full Metal will pay MAMC a Net Smelter Return Royalty (NSR) of 2% of net revenues for five years, after which, the NSR will increase to of 4% of net revenues. Full Metal shall have the right to purchase one percent (1%) of the NSR at any time for one million dollars (US\$ 1,000,000) at any time (resulting in a NSR of 1% and/or 3% of net revenues). Reference is made to Full Metal's news release dated October 13, 2006 for details of the acquisition of its interest in the Mt. Andrew property.

Exploration Expenditures

During the nine months ended October 31, 2009 and 2008, the Company incurred the following exploration expenditures on its Mount Andrew option property, which were expensed as incurred:

| | October 31, 2009 | January, 2009 |
|-----------------------|------------------|---------------|
| Geological consulting | \$ 87,910 | \$ - |
| Lease payment | 52,500 | |
| Geophysics | 46,540 | |
| Travel | 39,240 | |
| Other | 12,416 | |
| Field and camp | 7,851 | |
| Warehouse and storage | 6,885 | |
| | \$ 253,343 | \$ - |

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Notes to Financial Statements, page 5
(Unaudited – Prepared by management)

Three and Nine months ended October 31, 2009

6. Share capital:

(a) Authorized:

Unlimited number of common shares without par value.

(b) Issued and fully paid:

| | Number of Shares | Amount | Contributed Surplus |
|----------------------------------|---------------------|--------------|------------------------|
| Balance, 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 | \$ 1,458,768 | \$ 107,236 |
| Shares issued for option payment | 250,000 | 40,000 | - |
| Balance, October 31, 2009 | 9,514,000 | \$ 1,498,768 | \$ 107,236 |

(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.

MOSAM CAPITAL CORP.

Notes to Financial Statements, page 6
(Unaudited – Prepared by management)

Three and Nine months ended October 31, 2009

(d) Escrow Shares:

As at July 31, 2009, 2,160,000 (2008 – 2,400,000) common shares of the Company are subject to escrow. Pursuant to the escrow agreement, 10% of the escrowed common shares were released on June 9, 2009 from escrow following issuance of the final Exchange bulletin ("Final Exchange Bulletin") upon completion of the Qualifying Transaction. An additional 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.

7. **Related party transactions:**

During the nine months ended October 31, 2009, the Company entered into the following transactions with related parties:

- Paid or accrued \$22,162 (2008 - \$20,088) for legal fees to a company controlled by an officer of the company.

8. **Financial Risk Management**

As at October 31, 2009, the Company's financial instruments are comprised of cash, short-term investments, accounts payable and accrued liabilities. The fair value of cash and short-term investments, accounts payable and accrued liabilities approximate their carrying value due to their short-term maturity

The Company's financial instruments are exposed to certain financial risks, including, credit risk, liquidity risk and interest rate risk.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash and cash equivalents. The Company limits exposure to credit risk by maintaining its cash and cash equivalents with large financial institutions. The Company does not have cash and cash equivalents that are invested in asset backed commercial paper.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash and cash equivalents. The Company believes that these sources will be sufficient to cover the likely short and long-term requirements.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company's cash and cash equivalents are currently held in short-term interest-bearing accounts and highly liquid short-term interest bearing investments, management considers the interest rate risk to be limited.

MOSAM CAPITAL CORP.

Notes to Financial Statements, page 7
(Unaudited – Prepared by management)

Three and Nine months ended October 31, 2009

9. Capital Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties. In the management of capital, the Company includes the components of shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's investment policy is to hold cash in interest bearing bank accounts and highly liquid short-term interest bearing investments with maturities of one year or less and which can be liquidated at any time without penalties. The Company is not subject to externally imposed capital requirements. The Company expects its current capital resources will be sufficient to fund its project activities and administrative costs for the next twelve months.