# MOSAM CAPITAL CORP.

**FINANCIAL STATEMENTS**
**(Stated in Canadian Dollars)**

**April 30, 2009**

**(Unaudited – Prepared by Management)**

# MOSAM CAPITAL CORP.

## (the "Company")

### INTERIM FINANCIAL STATEMENTS
### Three months ended April 30, 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.

June 29, 2009

# MOSAM CAPITAL CORP

**Balance Sheets**

**(Unaudited – Prepared by Management)**

**(Stated in Canadian dollars)**

| | April 30, 2009 | January 31, 2009 |
|---|---|---|
| **Assets** | | |
| CURRENT | | |
| Cash and cash equivalents | $ 323,654 | $ 313,351 |
| Interest receivable | 784 | 37,330 |
| Short term investment | 1,000,000 | 1,000,000 |
| GST receivable | 10,485 | 9,640 |
| | $ 1,334,923 | $ 1,360,321 |
| **Liabilities and Shareholders' Equity** | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | $ 15,365 | $ 19,365 |
| | 15,365 | 19,365 |
| Shareholders' equity: | | |
| Contributed surplus | 108,414 | 108,414 |
| Share capital (note 4) | 1,457,590 | 1,457,590 |
| Deficit | (246,446) | (225,048) |
| | 1,319,558 | 1,340,956 |
| | $ 1,334,923 | $ 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 April 30, 2009 | Three months ended April 30, 2008 |
|---|---|---|
| Expenses: | | |
| Bank charges and interest | $ 53 | $ 55 |
| Office and rent | 234 | 6,611 |
| Professional fees | 8,582 | 9,234 |
| Project evaluation | 7,464 | - |
| Regulatory fees | 5,043 | 5,200 |
| Transfer agent | 806 | 957 |
| | 22,182 | 22,057 |
| Other items: | | |
| Interest income | 784 | 1,690 |
| Earnings (loss) and comprehensive earnings (loss) for the period | (21,398) | (20,367) |
| Retained earnings (deficit), beginning of period | (225,048) | (355,369) |
| Retained earnings (deficit), end of period | $ (246,446) | $ (375,736) |
| Basic and diluted loss per share | $ - | $ - |
| Weighted average number of shares outstanding | 9,706,403 | 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 April 30, | |
|---|---|---|
| | 2009 | 2008 |
| Operations: | | |
| Earnings (loss) and comprehensive earnings (loss) for the period | $ (21,398) | $ (20,367) |
| Changes in non-cash working capital items: | | |
| Receivables | 35,700 | 8,130 |
| Accounts payable and accrued liabilities | (4,000) | 5,000 |
| | 10,302 | (7,237) |
| Investing: | | |
| Short term investments | - | - |
| Financing: | | |
| Shares issued for cash | - | 87,800 |
| Increase (decrease) in cash and cash equivalents | 10,302 | (80,563) |
| Cash and cash equivalents, beginning of period | 313,351 | 280,038 |
| Cash and cash equivalents, end of period | $ 323,654 | $ 306,601 |
| Supplementary information: | - | - |

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 approvals.

On October 10, 2008 the Company entered into a letter of intent with Full Metal Minerals (USA) Inc. ("Full Metal"), wherein the Company will 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 Company intends for the Acquisition to constitute the Qualifying Transaction and has received conditional acceptance of the TSX Venture Exchange.

The Company's continuing operations are dependent upon its ability to identify, evaluate and negotiate a Qualifying Transaction. If the Qualifying Transaction is 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. Basis of Presentation

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian 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 three months ended April 30, 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.

3. Recent Accounting Pronouncements

*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.

4. Share capital:

(a) Authorized:

Unlimited number of common shares without par value.

(b) Issued and fully paid:

| | Number of Shares | Amount | Contributed Surplus |
|---|---|---|---|
| Balance, February 1, 2006 | - | $ - | $ - |
| Common shares issued for cash | 3,750,000 | 510,000 | - |
| Initial public offering | 5,000,000 | 1,000,000 | - |
| Share issue costs | - | (210,952) | - |
| Stock-based compensation | - | - | 122,586 |
| Agents options issued | - | - | 41,570 |
| 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 and April 30, 2009 | 9,264,000 | $ 1,458,768 | $ 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.

(d) Escrow Shares:

As at April 30, 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.

5. Related party transactions:

During the three months ended April 30, 2009, the Company entered into the following transactions with related parties:

- Paid or accrued $8,581 (2007 - $20,088) for legal fees to a company controlled by an officer of the company.

6. Financial Risk Management

As at April 30, 2009, the Company's financial instruments are comprised of cash and cash equivalents, receivables, accounts payable and accrued liabilities. The fair value of cash and cash equivalents, receivables, 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.

7. 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.

8. Subsequent events:

The Company made the first payment of $50,000 and issued 250,000 shares to Full Metal Minerals Ltd. pursuant to the option granted by Full Metal to purchase a 60% interest in the Mt. Andrew Property (see news release dated May 19, 2009).