

CORSA CAPITAL LTD.

FINANCIAL STATEMENTS

NOVEMBER 30, 2008

In Canadian Dollars

AUDITORS' REPORT

To the Shareholders of
Corsa Capital Ltd.

We have audited the balance sheets of Corsa Capital Ltd. as at November 30, 2008 and 2007 and the statements of loss and deficit and cash flows for the year ended November 30, 2008 and for the period from incorporation on June 14, 2007 to November 30, 2007. 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 audits 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 November 30, 2008 and 2007 and the results of its loss and its cash flows for the year ended November 30, 2008 and for the period from incorporation on June 14, 2007 to November 30, 2007 in accordance with Canadian generally accepted accounting principles.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Accountants

March 12, 2009



Corsa Capital Ltd.
(An Exploration Stage Company)
Balance Sheets
As at November 30
Canadian Dollars

ASSETS	2008	2007
Current		
Cash	\$ 1,010,495	\$ 682,333
GST receivable	45,354	7,729
Prepaid expenses	10,332	-
	1,066,181	690,062
Equipment (Note 6)	3,852	-
Resource Property Costs (Note 7)	523,732	121,483
	\$ 1,593,765	\$ 811,545
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 55,566	\$ 71,121
SHAREHOLDERS' EQUITY		
Share Capital (Note 8a)	2,056,407	749,501
Contributed surplus (Note 8e)	382,081	303,000
Deficit	(900,289)	(312,077)
	1,538,199	740,424
	\$ 1,593,765	\$ 811,545

Nature and continuance of operations (Note 1)

ON BEHALF OF THE BOARD:

"James Paterson" President and CEO, Director

"Sean Mager", Director

Corsa Capital Ltd.
(An Exploration Stage Company)
Statements of Loss and Deficit

Canadian Dollars

	For the year ended November 30, 2008	For the period June 14, 2007 to November 30, 2007
Expenses		
Advertising and promotion	\$ 38,890	\$ -
Amortization	1,829	-
Bank charges and interest	590	395
Foreign exchange loss	-	973
Legal, corporate secretary and accounting fees	183,831	7,709
Listing and filing fees	36,581	-
Office and administration	21,097	-
Salaries and consulting fees	180,008	-
Stock-based compensation	-	303,000
Transfer agent fees	12,976	-
Travel and conferences	37,252	-
Net loss or the period before other items	(513,054)	(312,077)
Other items:		
Interest income	5,164	-
Write-off of resource property costs	(80,322)	-
Net loss and comprehensive loss for the period	(588,212)	(312,077)
Deficit – beginning of period	(312,077)	-
Deficit – end of the period	\$ (900,289)	\$ (312,077)
Loss per share – basic and diluted	\$ (0.05)	\$ (0.09)
Weighted Average Number of Common Shares Outstanding	11,408,512	3,389,563

- See Accompanying Notes -

Corsa Capital Ltd.
(An Exploration Stage Company)
Statements of Cash Flows

Canadian Dollars

	For the year ended November 30, 2008	For the period June 14, 2007 to November 30, 2007
Cash Resources Provided By (Used In)		
Operating Activities		
Net loss for the period	\$ (588,212)	\$ (312,077)
Items not affected by cash:		
Write-off of resource property costs	80,322	-
Amortization	1,829	-
Stock-based compensation	-	303,000
Changes in non-cash working capital		
GST receivable	(37,625)	(7,729)
Prepaid expenses	(10,332)	-
Accounts payable and accrued liabilities	36,391	8,928
	(517,627)	(7,878)
Investing Activities		
Equipment	(5,681)	-
Resource Property Costs	(485,811)	(59,290)
	(491,492)	(59,290)
Financing Activities		
Issuance of share capital, net of issuance costs	1,337,281	749,501
	1,337,281	749,501
Net increase in cash for the period	328,162	682,333
Cash – beginning of the period	682,333	-
Cash – end of the period	\$ 1,010,495	\$ 682,333
Supplemental Schedule of Non-Cash Investing and Financial Activities		
Accounts payable included in resource property costs and permits	\$ 10,247	\$ 62,193
Shares and warrants issued for property	\$ 48,706	\$ -
Brokers warrants issued	\$ 65,374	\$ -

- See Accompanying Notes -

Corsa Capital Ltd.
(An Exploration Stage Company)
Schedule of Resource Property Costs
Canadian Dollars

	Acquisition Costs	Deferred Exploration	For the year ended November 30, 2008	For the period June 14, 2007 to November 30, 2007
Generative				
Field and general	\$ -	\$ 2,062	\$ 2,062	\$ -
Geological consulting	-	38,814	38,814	-
Travel and accommodation	-	39,446	39,446	-
	-	80,322	80,322	-
Sy, Nunavut				
Acquisition costs – shares	48,706	-	48,706	-
Field and general	-	15,335	15,335	84,220
Geological consulting	-	61,970	61,970	37,263
Travel and accommodation	-	276,238	276,238	-
	48,706	353,543	402,249	121,483
Resource property costs for the period	48,706	433,865	482,571	121,483
Resource property costs written off	-	(80,322)	(80,322)	-
Balance beginning of period	-	121,483	121,483	-
Balance end of the period	\$ 48,706	\$ 475,026	\$ 523,732	\$ 121,483

- See Accompanying Notes -

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Year Ended November 30, 2008

Canadian Dollars

1. Nature and Continuance of Operations

Corsa Capital Ltd. ("Corsa" or the "Company") was incorporated on June 14, 2007 under the Business Corporations Act (British Columbia), and is an exploration stage enterprise focusing on the acquisition, exploration and development of economic gold and other precious and base metal properties. On April 17, 2008, the Company was listed on the TSX Venture Exchange ("TSX-V") under the symbol "CSO".

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations rather than through a process of forced liquidation. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

As at November 30, 2008, the Company has no source of operating cash flows and has not yet achieved profitable operations, has accumulated losses since its inception, and expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due.

2. Significant Accounting Policies

a) Basis of presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

b) Equipment

The Company provides for amortization on its computer equipment at an annual rate of 30% on the declining balance method and at an annual rate of 100% on its computer software on the declining balance method. One-half of the rate is taken in the year of acquisition.

c) Comprehensive Income (Loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that would not normally be included in net earnings (loss) such as unrealized gains or losses on available-for-sale investments. Other comprehensive income (loss) includes the holding gains and losses from available for sale securities which are not included in net loss until realized.

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Year Ended November 30, 2008

Canadian Dollars

3. Significant Accounting Policies – Continued

d) Resource Property Costs

The Company is in the process of exploring its resource properties and has not yet determined whether these properties contain reserves that are economically recoverable.

Resource exploration and development costs are capitalized on an individual area of interest basis until such time as an economic ore body is defined or the prospect is abandoned. Costs for a producing prospect are amortized on a unit-of-production method based on the estimated life of the reserves, while costs for the prospects abandoned are written off.

The recoverability of the amount capitalized for the undeveloped resource properties is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to farm out its resource properties, the ability to obtain the necessary financing to complete their development and future profitable production or proceeds from the disposition thereof.

Title to resource properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many resource properties. The Company has investigated title to all of its resource properties and, to the best of its knowledge, title to all of its properties are in good standing.

e) Asset Retirement Obligations

The Company recognizes the fair value of legal obligations relating to retirement of property and equipment, and arising from the acquisition, construction, development, or normal operation of those assets. Such asset retirement cost is recognized at fair value when a reasonable estimate of fair value can be estimated, in the year in which it is incurred, added to the carrying value of the asset, and amortized into income on a systematic basis over its useful life. No asset retirement costs have been recognized for the years presented as none of the Company's properties or equipment are estimated to require any remediation or other expenditures upon their retirement.

f) Income Taxes

Income taxes are accounted for using the asset and liability method. Future taxes are recognized for the tax consequences of "temporary differences" by applying enacted or substantively enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and tax basis of existing assets and liabilities. The effect on future income taxes for a change in tax rates is recognized in income in the year that includes the date of enactment or substantive enactment. In addition, the method requires the recognition of future tax benefits to the extent that realization of such benefits is more likely than not to be realized.

g) Share Capital

Share capital issued for non-monetary consideration is recorded at an amount based on fair market value.

h) Stock-Based Compensation

The fair value of stock options granted is determined using the Black-Scholes option pricing model and recorded as stock-based compensation over the vesting period of the stock options.

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Year Ended November 30, 2008

Canadian Dollars

3. Significant Accounting Policies – Continued

i) Loss per Share

Basic loss per share is calculated using the weighted average number of common shares outstanding and the treasury stock method is used to calculate diluted earnings per share. For the period presented, this calculation proved to be anti-dilutive.

j) Flow-Through Shares

Canadian tax legislation permits a company to issue flow-through shares whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the Company. Recording these expenditures for accounting purposes gives rise to taxable temporary differences.

Emerging Issues Committee 146 “Flow-Through Shares” requires that, when flow-through expenditures are renounced, a portion of the future income tax assets that were not recognized in previous years, due to the recording of a valuation allowance, be recognized as a recovery of income taxes in the statement of operations.

k) Management's Estimates

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 dates of the financial statements and the reported amounts of revenues and expenses during the reported years. In particular, resource property costs may be affected. Actual results could differ from those estimates.

l) Impairment of Long-lived Assets

The Company monitors the recoverability of long-lived assets, based on factors such as current market value, future asset utilization, business climate and future undiscounted cash flows expected to result from the use of the related assets. The Company's policy is to record an impairment loss in the period when it is determined that the carrying amount of the assets may not be recoverable. The impairment loss is calculated as the amount by which the carrying amount of the assets exceeds the undiscounted estimate of future cash flows from the asset.

m) Financial Instruments

All financial instruments are classified into one of five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments and derivatives are measured in the balance sheet either at fair value except for loans and receivables, held-to maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification. Held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net income. Available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the instrument is derecognized or impaired.

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Year Ended November 30, 2008

Canadian Dollars

3. Significant Accounting Policies – Continued

m) **Financial Instruments** – Continued

The Company has classified its cash as held-for-trading. Marketable securities are classified as available-for-sale. GST receivable is classified as loans and receivables. Accounts payable and accrued liabilities are classified as other financial liabilities, all of which are measured at amortized cost. The Company has elected to measure all derivatives and embedded derivatives at fair value and the Company has maintained its policy not to use hedge accounting.

Section 3855 also provides guidance on accounting for transaction costs incurred upon the issuance of debt instruments or modification of a financial liability. Transaction costs are now deducted from the financial liability and are amortized using the effective interest method over the expected life of the related liability.

4. Changes in Accounting Policy

a) **Section 1535 – Capital Disclosures**

The Company adopted CICA Section 1535, “Capital Disclosures”. This section requires the Company to include additional information in the notes to the financial statements about its capital and the manner in which it is managed. The additional disclosure includes quantitative and qualitative information regarding an entity’s objectives, policies and procedures for managing capital.

The impact of adopting this section is disclosed in Note 11.

b) **Section 3862 and 3863 – Financial Instruments Disclosures and Presentation**

The Company adopted CICA Section 3862 and 3863, “Financial Instruments Disclosures and Presentation”. These sections require disclosures of both qualitative and quantitative information that enables users of the financial statements to evaluate the nature and extent of risks from financial instruments to which the Company is exposed.

The impact of adopting these sections is disclosed in Note 10.

5. Future Accounting and Reporting Changes

a) **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 GAAP 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 GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of December 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended November 30, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Year Ended November 30, 2008

Canadian Dollars

5. Future Accounting and Reporting Changes – Continued

b) Goodwill and Intangible Assets

In February 2008, the AcSB issued Handbook Section 3064, "Goodwill and Intangible Assets", which will replace Section 3062, "Goodwill and Intangible Assets" and amended Section 1000, "Financial Statement Concepts" clarifying the criteria for the recognition of assets, intangible assets and internally developed intangible assets. Items that no longer meet the definition of an asset are no longer recognized with assets. The new standard also provides guidance for the treatment of preproduction and start-up costs and requires that these costs be expensed as incurred. The new standard is effective for fiscal years beginning on or after October 1, 2008. The adoption of this new section is not expected to have a material impact on the Company's financial position.

6. Equipment

Details are as follows:

	Cost	Accumulated Amortization	Net Book Value November 30, 2008	Net Book Value November 30, 2007
Computer equipment	\$ 2,890	\$ 434	\$ 2,456	\$ -
Computer software	2,791	1,395	1,396	-
	<u>\$ 5,681</u>	<u>\$ 1,829</u>	<u>\$ 3,852</u>	<u>\$ -</u>

7. Resource Property Costs

Details are as follows:

	Acquisition Costs	Exploration Costs	Cumulative as at November 30, 2008	Cumulative as at November 30, 2007
Sy, Nunavut	\$ 48,706	\$ 475,026	\$ 523,732	\$ 121,483

Sy Property, Nunavut

On July 20, 2007, the Company entered into an agreement with Kaminak Gold Corporation (Note 9) to acquire up to a 60% interest in the Sy Property, located on the Archean Yathkyed Greenstone Belt in Nunavut, by making the following Unit issuances and expenditures:

Unit issuances:

i)	100,000	Upon listing on a recognized stock exchange * (Issued)
ii)	100,000	Upon spending an aggregate of \$600,000*
iii)	100,000	Upon spending an aggregate of \$1,000,000*
iv)	100,000	Upon spending an aggregate of \$2,000,000*
	<u>400,000</u>	

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Year Ended November 30, 2008

Canadian Dollars

7. Resource Property Costs - Continued

Minimum Expenditures:

i)	\$	100,000	on or before December 31, 2007 (incurred)*
ii)		200,000	on or before December 31, 2008 (incurred)
iii)		300,000	on or before December 31, 2009*
iv)		400,000	on or before December 31, 2010*
v)		1,000,000	on or before December 31, 2011*
	\$	<u>2,000,000</u>	

* The Company will be vested at 51% upon the issuance of 300,000 Units and incurring expenditures of \$1,000,000 on the property prior to December 31, 2010 and can then earn an additional 9% interest to bring its interest to 60% interest by spending an additional \$1,000,000 on the property and issuing an additional 100,000 units prior to December 31, 2011.

Each "Unit" consists of one common share of Corsa and one common share purchase warrant, each warrant being exercisable to purchase one common share of Corsa for a twelve month period following the date of issuance at a price per common share to be determined by taking the weighted average closing price of the common shares of Corsa on the TSX Venture Exchange for the twenty consecutive trading days immediately prior to the date of issuance. All of the payment, expenditure and Unit obligations may be accelerated at Corsa's option.

It is acknowledged that the Company's mineral rights do not include diamond rights. The property is subject to a 2% NSR/GOR.

8. Share Capital

a) Details as follows:

	Number	Amount
Authorized:		
Unlimited number of common voting shares without par value		
Unlimited number of preferred shares without par value		
Issued:		
For cash on incorporation	1	\$ 1
Private Placement, August 2007	4,950,000	49,500
Private Placement, October 2007	700,000	70,000
Private Placement, November 2007	2,288,000	572,000
Private Placement, November 2007	210,909	58,000
Balance at November 30, 2007	8,148,910	749,501
Private Placement, December 2007	1,000,000	250,000
Initial Public Offering, April 2008	3,500,000	1,225,000
Corporate finance fee	142,857	50,000
For Property	100,000	35,000
Share issuance costs	-	(253,094)
Balance at November 30, 2008	12,891,767	\$2,056,407

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Year Ended November 30, 2008

Canadian Dollars

8. Share Capital – Continued

b) Private Placements

In August 2007, the Company closed a private placement for 4,950,000 shares at \$0.01 per share for gross proceeds of \$49,500. These shares have been recorded at their fair value of \$247,500, with the value over the proceeds being recognized as stock-based compensation.

In October 2007, the Company closed a private placement for 700,000 shares at \$0.10 per share for gross proceeds of \$70,000. These shares have been recorded at their fair value of \$175,000, with the value over the proceeds being recognized as stock-based compensation.

In November 2007, the Company closed a private placement for 2,288,000 shares at \$0.25 per share for gross proceeds of \$572,000.

In November 2007, the Company closed a private placement for 210,909 flow-through shares at \$0.275 per share for gross proceeds of \$58,000. In accordance with the terms of the private placement and certain provisions of the Income Tax Act (Canada), the Company will renounce for income tax purposes, exploration expenditures of \$58,000 to subscribers of the flow through common shares in this private placement, for which the Company will have to incur eligible expenditures by December 31, 2008.

In December 2007, the Company closed a private placement for 1,000,000 shares at \$0.25 per share for gross proceeds of \$250,000.

In April 2008, the Company completed an initial public offering (the "Offering") of 3,500,000 common shares of the Company at a price of \$0.35 per common share for gross proceeds of \$1,225,000. The Company paid the agent a 7.5% commission of the gross proceeds of the Offering in cash. As additional compensation, the Company granted the agent non-transferable warrants exercisable to acquire up to 350,000 common shares in the capital of the Company. The warrants are exercisable at \$0.35 per share for a period of two years from April 16, 2008. In addition, the Company issued 142,857 common shares of the company as a corporate finance fee. The Company also agreed to pay the agent a \$15,000 work fee and \$30,844 to cover the agent's legal and IPO related expenses.

c) Share Purchase Warrants

At November 30, 2008, the following warrants were issued and outstanding:

	Number of Warrants	Weighted Average Exercise Price
Outstanding warrants, November 30, 2007	-	-
Issued	450,000	\$0.35
Outstanding warrants, November 30, 2008	450,000	\$0.35

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Year Ended November 30, 2008

Canadian Dollars

8. Share Capital – Continued

c) Share Purchase Warrants – Continued

Expiry Date	Weighted Average Exercise Price	Number of Warrants	Weighted Average Remaining Contractual Life in Years
April 16, 2010*	\$0.35	350,000	1.38
April 17, 2009	\$0.35	100,000	0.38
Weighted average of exercise price	\$0.35	450,000	1.16

* **Brokers Warrants**

The fair value of warrants issued during the year ended November 30, 2008 were estimated using the Black-Scholes Option Pricing Model with the following assumptions:

Estimated risk-free rate	2.78%
Expected volatility	100%
Estimated annual dividend yield	0.0%
Expected life of warrants	1.78 years

d) Options

There are currently no options outstanding.

e) Contributed surplus

Fair value of shares issued in August 2007	\$ 198,000
Fair value of shares issued in October 2007	105,000
Balance at November 30, 2007	303,000
Fair value of Brokers warrants issued in April 2008	65,375
Fair value of warrants issued for property in April 2008	13,706
Balance at November 30, 2008	\$ 382,081

9. Related Party Transactions

The Company entered into the following related party transactions:

a) Accrued or paid consulting fees of \$86,036, reimbursed expenses for travel and conference charges of \$213, office and administration charges of \$17,275 and investor relations charges of \$26,063 to a company controlled by directors and officers of the Company. At November 30, 2008, \$8,909 of these costs remained in accounts payable.

b) During the year ended November 30, 2008, the Company paid \$26,200 in accounting and consulting fees to directors and officers. At November 30, 2008, \$6,615 of these costs remained in accounts payable.

c) During the year ended November 30, 2008, the Company paid \$4,864 in geological consulting fees to a Company with directors in common.

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Year Ended November 30, 2008

Canadian Dollars

9. Related Party Transactions – Continued

d) During the period ended November 30, 2007, the Company signed an option agreement with Kaminak Gold Corporation (“Kaminak”), a company with directors in common, giving the Company the right to earn a up to a 60% interest in the Sy Property (Note 7).

The amounts charged to the Company for the services provided have been determined by negotiation among the parties and, in certain cases, are covered by signed agreements. These transactions were in the normal course of operations and were measured at the exchange value, which represented the amount of consideration established and agreed to by the related parties.

10. Financial Instruments

Categories of financial assets and liabilities

As at November 30, 2008, the carrying and fair value amounts of the Company’s financial instruments are the same. The carrying value of the Company’s financial instruments is classified into the following categories:

	November 30, 2008	
Held-for-trading	\$	1,010,495
Loans and receivables	\$	45,354
Other financial liabilities	\$	55,566

Credit risk

Credit risk is the risk of loss associated with a counterparty’s inability to fulfill its payment obligations. The Company’s credit risk is primarily attributable to accounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in accounts receivable is remote.

Liquidity risk

The Company’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2008, the Company had a cash balance of \$1,010,495 to settle current liabilities of \$55,566. All of the Company’s financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company’s current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As of November 30, 2008, the Company did not have any investments invested in investment-grade short-term deposit certificates.

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Year Ended November 30, 2008

Canadian Dollars

10. Financial Instruments – Continued

(b) Foreign currency risk

The Company operates predominately in Canada and is not exposed to any significant foreign currency risk.

(c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of resources, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

11. Capital 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 resource properties and to maintain flexible capital structure for its projects for the benefit of its stakeholders.

In the management of capital, the Company includes the components of shareholders' equity as well as cash, GST receivable and current liabilities.

The Company manages the capital structure and makes adjustments to it in light of changes in the economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash.

Management reviews the capital structure on a regular basis to ensure that the above-noted objectives are met.

12. Income Taxes

- a) The income tax provision for the year differs from the amount obtained by applying the statutory Canadian federal and provincial income tax rates as follows:

	For the Year Ended November 30, 2008	For the Period Ended November 30, 2007
Loss for the period	\$ (588,212)	\$ (312,077)
Expected tax recovery	(187,669)	(107,002)
Non deductible (deductible) expenses	(8,204)	105,072
Unrecognized benefit of non-capital losses	195,873	1,930
	-	-
Total income tax recovery	\$ -	\$ -

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Year Ended November 30, 2008
Canadian Dollars

12. Income Taxes – Continued

b) The components of the future income tax asset balances are as follows:

	November 30, 2008	November 30, 2007
Future income tax asset		
Equipment	\$ 500	\$ -
Resource property costs	900	-
Non-capital loss carry-forwards	51,400	1,700
Share issuance costs	28,600	-
Future income tax asset	81,400	1,700
Valuation allowance	(81,400)	(1,700)
Future income tax liability	\$ -	\$ -

The Company has available for deduction against future taxable income non-capital losses of approximately \$197,800. These losses, if not utilized, will expire through 2028. Subject to certain restrictions, the Company also has resource expenditures available to reduce taxable income in future years. Future tax benefits which may arise as a result of these non-capital losses and resource deductions have not been recognized in these financial statements and have been offset by a valuation allowance.

13. Segment Information

The Company has one reportable operating segment, being the acquisition and exploration of resource properties. All of the Company's equipment and resource properties are located in Canada.