

CORSA CAPITAL LTD.

FINANCIAL STATEMENTS

MAY 31, 2010

In Canadian Dollars

Unaudited – Prepared by Management

Notice of Non-review of Interim Consolidated Financial Statements

The attached interim consolidated financial statements for the six month period ended May 31, 2010 have not been reviewed by the company's auditors.

Corsa Capital Ltd.
(An Exploration Stage Company)
Balance Sheets

Canadian Dollars
(Unaudited – Prepared by Management)

	As at May 31, 2010	As at November 30, 2009
ASSETS		
Current		
Cash	\$ 901,659	\$ 901,089
Accounts receivable	1,482	-
GST receivable	40,566	34,301
Prepaid expenses	3,300	7,718
	947,007	943,108
Equipment (Note 4)	2,209	2,084
Resource Property Costs (Note 5)	50,403	-
	\$ 999,619	\$ 945,192
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 138,103	\$ 97,350
SHAREHOLDERS' EQUITY		
Share Capital (Note 6a)	2,819,573	2,195,425
Contributed surplus (Note 6e)	1,102,501	1,332,974
Deficit	(3,060,558)	(2,680,557)
	861,516	847,842
	\$ 999,619	\$ 945,192

Nature and continuance of operations (Note 1)

ON BEHALF OF THE BOARD:

“James Paterson” President and CEO _____, Director

“Robert Scott” _____, Director

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

Canadian Dollars
(Unaudited – Prepared by Management)

	For the three month period ended May 31, 2010	For the three month period ended May 31, 2009	For the six month period ended May 31, 2010	For the six month period ended May 31, 2009
Expenses				
Advertising and promotion	\$ 1,394	\$ 7,906	\$ 3,898	\$ 11,020
Amortization	330	605	503	1,138
Bank charges and interest	538	140	874	1,095
Legal, corporate secretary and accounting fees	103,767	41,665	135,528	54,665
Listing and filing fees	9,063	4,697	9,063	9,862
Office and administration	12,427	16,128	20,935	19,366
Salaries and consulting fees	59,118	54,379	99,007	118,270
Stock-based compensation	-	490,718	-	490,718
Transfer agent fees	1,702	3,601	3,156	5,442
Travel and corporate development	52,554	12,924	76,827	29,222
Net loss for the period before other items	(240,893)	(632,763)	(349,791)	(740,798)
Other items:				
Interest income	-	226	-	908
Write-off of resource property costs	(29,606)	(20,603)	(30,210)	(29,030)
Net loss and comprehensive loss for the period	(270,499)	(653,140)	(380,001)	(768,920)
Deficit – beginning of period	(2,790,059)	(1,016,069)	(2,680,557)	(900,289)
Deficit – end of the period	\$ (3,060,558)	\$ (1,669,209)	\$ (3,060,558)	\$ (1,669,209)
Loss per share – basic and diluted	\$ (0.02)	\$ (0.05)	\$ (0.02)	\$ (0.06)
Weighted Average Number of Common Shares Outstanding	17,646,140	12,891,767	17,621,577	12,891,767

- See Accompanying Notes -

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

Canadian Dollars
(Unaudited – Prepared by Management)

Cash Resources Provided By (Used In)	For the three month period ended May 31, 2010	For the three month period ended May 31, 2009	For the six month period ended May 31, 2010	For the six month period ended May 31, 2009
Operating Activities				
Net loss for the period	\$ (270,499)	\$ (653,140)	\$ (380,001)	\$ (768,920)
Items not affected by cash:				
Write-off of resource property costs	29,606	20,603	30,210	29,030
Amortization	330	605	503	1,138
Stock-based compensation	-	490,718	-	490,718
Changes in non-cash working capital				
Accounts receivable	(1,482)	-	(1,482)	-
GST receivable	(3,712)	(4,000)	(6,265)	19,475
Prepaid expenses	6,702	12,680	4,418	1,896
Accounts payable and accrued liabilities	100,418	12,973	38,999	(11,255)
	(138,637)	(119,561)	(313,618)	(237,918)
Investing Activities				
Fixed asset purchases	(628)	(507)	(628)	(507)
Resource property costs	(39,717)	(30,850)	(78,859)	(81,380)
	(40,345)	(31,357)	(79,487)	(81,887)
Financing Activities				
Share subscriptions payable	-	400,000	-	400,000
Issuance of share capital, net of issuance costs	366,117	-	393,675	-
	366,117	400,000	393,675	400,000
Net decrease in cash for the period	187,135	249,082	570	80,195
Cash – beginning of the period	714,524	841,608	901,089	1,010,495
Cash – end of the period	\$ 901,659	\$ 1,090,690	\$ 901,659	\$ 1,090,690
Supplemental Schedule of Non-Cash Investing and Financial Activities				
Accounts payable included in resource property costs and permits	\$ 25,612	\$ -	\$ 25,612	\$ -

- See Accompanying Notes -

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

Canadian Dollars
(Unaudited – Prepared by Management)

	Acquisition Costs	Deferred Exploration	For the six month period ended May 31, 2010	For the year ended November 30, 2009
Generative				
Assays	\$ -	\$ -	\$ -	\$ 3,704
Field and general	-	-	-	1,157
Geological consulting	-	26,023	26,023	30,952
Travel and accommodation	-	4,186	4,186	2,119
	-	30,209	30,209	37,932
Miller-Walker, Pennsylvania				
Acquisition costs – cash	25,882	-	25,882	-
Field and general	-	7,477	7,477	-
Geological consulting	-	13,895	13,895	-
Travel and accommodation	-	3,149	3,149	-
	25,882	24,521	50,403	-
Sy, Nunavut				
Staking	-	-	-	10,212
Assays	-	-	-	18,021
Field and general	-	-	-	307
Geological consulting	-	-	-	13,522
Travel and accommodation	-	-	-	10,712
	-	-	-	52,774
Resource property costs for the period	25,882	54,730	80,612	90,706
Resource property costs written off	-	(30,209)	(30,209)	(614,438)
Balance beginning of period	-	-	-	523,732
Balance end of the period	\$ 25,882	\$ 24,521	\$ 50,403	\$ -

- See Accompanying Notes -

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Six Months Ended May 31, 2010

Canadian Dollars
(Unaudited – Prepared by Management)

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 resource 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 May 31, 2010, 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

These interim financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles and follow the same accounting policies and methods of their application as the most recent annual financial statements except that the Company has adopted the following CICA guidelines effective for the Company's first quarter commencing December 1, 2009. These interim financial statements do not include all disclosures required by Canadian Generally Accepted Accounting Principles for annual financial statements and accordingly, the interim financial statements should be read in conjunction with the audited financial statements and notes thereto of the Company as at November 30, 2009.

3. 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. The Company is currently developing its implementation timeline for the conversion process and will continue to invest in training and additional resources. The Company will then assess and report on the financial reporting impact of the transition to IFRS, which cannot be reasonably estimated at this time.

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Six Months Ended May 31, 2010

Canadian Dollars
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4. Equipment

Details are as follows:

	Cost	Accumulated Amortization	Net Book Value May 31, 2010
Computer equipment	\$ 3,208	\$ 1,517	\$ 1,691
Computer software	3,608	3,090	518
	\$ 6,816	\$ 4,607	\$ 2,209

	Cost	Accumulated Amortization	Net Book Value November 30, 2009
Computer equipment	\$ 3,208	\$ 1,219	\$ 1,989
Computer software	2,980	2,885	95
	\$ 6,188	\$ 4,104	\$ 2,084

5. Resource Property Costs

Details are as follows:

	Acquisition Costs	Exploration Costs	Cumulative as at May 31, 2010	Cumulative as at November 30, 2009
Miller-Walker, Pennsylvania	\$ 25,882	\$ 24,521	\$ 50,403	\$ -

Miller-Walker Property

In December 2009, the Company signed an option agreement with Sherpa Mining Contractors, Inc. ("Sherpa") to acquire certain mining rights on the "Miller-Walker Property" Coal Lease in Somerset County, Pennsylvania, USA. The transaction was conducted through Corsa Coal Pennsylvania, Inc. ("Corsa Coal"), a 100% owned subsidiary of Corsa Capital Ltd. incorporated on December 16, 2009.

The option with Sherpa is for Corsa Coal to acquire certain mining rights to the Miller-Walker Property ("Property") in Somerset County, Pennsylvania, USA.

The option terms on the Miller-Walker Property are as follows:

- Corsa Coal made an initial cash payment to Sherpa of USD\$25,000 ("Option Payment") for the exclusive option to acquire the property and the right to fund the exploration of the Property and also fund completion of the permitting required in any mine site development process;

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
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5. Resource Property Costs – Continued

Miller-Walker Property – Continued

- Corsa Coal has the right and option to acquire a 100% interest in the Property, with no further expenditure commitments, by making a one-time cash payment to Sherpa in the amount of USD\$1,500,000 before December 31, 2011. Corsa Coal's exclusive option may be executed in writing at any time prior to December 31, 2011, and is subject to the terms and conditions of the instruments granting Sherpa its interests in the Property;
- Corsa Coal is required to incur minimum exploration expenditures, (including costs associated with engineering studies, permitting or securing coal leases) before December 31, 2010 of USD\$50,000. Exploration expenditures in Year 2 are at the option of Corsa Coal and must be before December 31, 2011;
- If Corsa Coal terminates or does not exercise its option to acquire a 100% interest in the Property within the allotted two year time period, the option will lapse. Sherpa will repay all expenditures made by Corsa Coal on the Property, including the Option Payment, from proceeds from future mining income from the Property. Repayments to Corsa Coal by Sherpa will be made at the rate of \$2 per ton of raw coal extracted, with minimum payments of \$15,000 per annum until the expenditures are repaid.

Sy Property, Nunavut

On July 20, 2007, the Company entered into an agreement with Kaminak Gold Corporation to acquire up to a 60% interest in the Sy Property, located on the Archean Yathkyed Greenstone Belt in Nunavut.

In December 2009, the Company gave formal written notice to Kaminak Gold Corporation of its intention to let lapse the option on Kaminak's Sy Gold Project in Nunavut, Canada as a result all costs incurred to November 30, 2009 had been written off.

6. Share Capital

a) Details as follows:

Authorized:

Unlimited number of common voting shares without par value

Unlimited number of preferred shares without par value

Issued:	Number	Amount
Balance at November 30, 2008	12,891,767	\$ 2,056,407
Private Placement, June 2009	4,300,000	78,709
Shares issued on warrant exercise	112,354	60,309
Balance at November 30, 2009	17,304,121	2,195,425
Shares issued on warrant exercise	1,757,646	479,741
Shares issued on stock option exercise	150,000	144,407
Balance at May 31, 2010	19,211,767	\$2,819,573

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Six Months Ended May 31, 2010

Canadian Dollars
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6. Share Capital – Continued

b) Private Placements

In June 2009, the Company closed a private placement of 4,300,000 Units at a price of \$0.10 per Unit for gross proceeds of \$430,000. Each Unit is comprised of one common share and one common share purchase warrant exercisable into one common share at a price of \$0.15 per share to June 10, 2011. The fair value of the common share purchase warrants, being \$351,291 was determined using the Black Scholes option pricing model with a volatility of 175.8%, risk free interest rate of 1.43%, expected life of 2 years, and a dividend rate of 0% and was recorded in contributed surplus.

c) Share Purchase Warrants

At May 31, 2010, the following warrants were issued and outstanding:

	Number of Warrants	Weighted Average Exercise Price
Outstanding warrants, November 30, 2008	450,000	\$0.35
Issued	4,300,000	\$0.15
Expired	(100,000)	\$0.35
Exercised	(112,354)	\$0.35
Outstanding warrants, November 30, 2009	4,537,646	\$0.16
Exercised	(1,757,646)	\$0.18
Outstanding warrants, May 31, 2010	2,780,000	\$0.15

Expiry Date	Weighted Average Exercise Price	Number of Warrants	Weighted Average Remaining Contractual Life in Years
June 10, 2011	\$0.15	2,780,000	1.03

The fair value of warrants issued during the year ended November 30, 2009 were estimated using the Black-Scholes Warrant Pricing Model with the following assumptions:

Estimated risk-free rate	1.43%
Expected volatility	175.78%
Estimated annual dividend yield	0.0%
Expected life of warrants	2.0 years

d) Stock Options

On April 27, 2009, the Company adopted a stock option plan with the following terms:

- i) Options granted can not be lower than the market price of one share on the last trading day immediately preceding the day on which the option is granted, less the maximum applicable discount permitted by TSX Venture Exchange and the minimum exercise price per share must be at least \$0.10.

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6. Share Capital – Continued

d) Stock Options – Continued

ii) At the time of the grant:

a) the total number of shares so reserved for issuance by the Board of directors shall not exceed ten (10%) percent of the issued and outstanding shares (on a non-diluted basis);

b) the aggregate number of shares so reserved for issuance to any one optionee in a 12 month period shall not exceed five (5%) percent of the issued shares (on a non-diluted basis);

c) the aggregate number of options granted to any one consultant in a 12 month period shall not exceed 2% of the issued shares;

d) the aggregate number of options granted to employees, who provide investor relations activities must not exceed 2% of the issued shares in any 12 month period; and

e) options granted to consultants performing investor relations services must vest in stages over 12 months with no more than one-quarter of the options vesting in any 3 month period. Options granted to employees vest at the discretion of the Board of Directors.

Stock option transactions and the number of share options outstanding are summarized as follows:

	Number Of Options	Weighted Average Exercise Price
Balance, November 30, 2008	-	\$ -
Options granted	1,539,500	0.55
Balance, November 30, 2009	1,539,500	\$ 0.55
Options exercised	(150,000)	\$ 0.55
Options expired	(10,000)	\$ 0.55
Balance, May 31, 2010	1,379,500	\$ 0.55

As at May 31, 2010, the following options were issued and outstanding:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life in Years
Expiring May 14, 2014	1,029,500	\$0.55	3.94
Expiring June 11, 2014	100,000	\$0.55	4.03
Expiring August 26, 2014	250,000	\$0.55	4.24
May 31, 2010	1,379,500	\$0.55	4.01

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Six Months Ended May 31, 2010

Canadian Dollars

6. Share Capital – Continued

c) Stock Options – Continued

The fair value of options issued during the year ended November 30, 2009 were estimated using the Black-Scholes Option Pricing Model with the following assumptions:

Estimated risk-free rate	2.24%
Expected volatility	99.34%
Estimated annual dividend yield	0.0%
Expected life of options	5 years

During the year ended November 30, 2009, the Company granted options to acquire 1,539,500 common shares with a weighted average fair value of \$0.40 per share, all of which vested during the year resulting in stock-based compensation expense under the Black-Scholes option pricing model of \$620,587.

e) Contributed surplus

Balance at November 30, 2008	\$ 382,081
Fair value of options issued in May 2009	490,718
Fair value of warrants issued in June 2009	351,291
Fair value of options issued in June 2009	45,895
Fair value of options issued in August 2009	83,974
Fair value of warrants exercised	(20,985)
Balance at November 30, 2009	1,332,974
Fair value of warrants exercised	(168,566)
Fair value of options exercised	(61,907)
Balance at May 31, 2010	\$ 1,102,501

7. Related Party Transactions

The Company entered into the following related party transactions during the period:

a) Reimbursed expenses for travel and conference charges of \$16,500 and office and administration charges of \$8,693 to a company controlled by an officer of the Company. At May 31, 2010, none of these costs remained in accounts payable.

b) Incurred \$43,400 in accounting and consulting fees to directors and officers. At May 31, 2010, \$3,255 of these costs remained in accounts payable.

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.

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Six Months Ended May 31, 2010

Canadian Dollars
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8. Financial Instruments

Categories of financial assets and liabilities

As at May 31, 2010, the carrying value of the Company's financial instruments approximate their fair value. The carrying value of the Company's financial instruments is classified into the following categories:

	May 31, 2010	November 30, 2009
Held-for-trading	\$ 901,659	\$ 901,089
Receivables	\$ 42,048	\$ 34,301
Other financial liabilities	\$ 138,103	\$ 97,350

The fair value of the Company's GST receivable and accounts payable and accrued liabilities approximate carrying value, which is the amount recorded on the balance sheet. The Company's other financial instrument, cash, under the fair value hierarchy is based on level one quoted prices in active markets for identical assets or liabilities.

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 receivables. Management believes that the credit risk concentration with respect to financial instruments included in receivables 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 May 31, 2010, the Company had a cash balance of \$901,659 (November 30, 2009 - \$901,089) to settle current liabilities of \$138,103 (November 30, 2009 - \$97,350). 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 May 31, 2010 and November 30, 2009, the Company did not have any investments invested in investment-grade short-term deposit certificates.

(b) Foreign currency risk

The Company's foreign exchange risk arises primarily with respect to the US dollar as a result of its activities evaluating potential opportunities in the United States and its exploration of the Miller-Walker Property. The Company has elected not to actively manage its foreign exchange exposure at this time.

Corsa Capital Ltd.
(An Exploration Stage Company)
Notes to the Financial Statements
For the Six Months Ended May 31, 2010

Canadian Dollars
(Unaudited – Prepared by Management)

8. Financial Instruments – Continued

(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.

9. 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. There were no changes in the Company's approach to capital management during the period ended May 31, 2010. The Company is not subject to externally imposed capital requirements.

10. Subsequent Events

- a. 70,000 stock options expiring June 3, 2015 with an exercise price of \$0.59 per share were issued to a consultant. These options vest 50% immediately and 50% on December 3, 2010.
- b. 150,000 stock options were exercised for gross proceeds of \$82,500.