

**CORSA CAPITAL LTD.**

*(An Exploration Stage Company)*

**FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM INCORPORATION (JUNE 14, 2007) TO NOVEMBER 30, 2007**

**In Canadian Funds**



**AUDITORS' REPORT**

To the Directors of  
Corsa Capital Ltd.

We have audited the balance sheet of Corsa Capital Ltd. as at November 30, 2007 and the statements of operations and deficit and cash flows 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 audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2007 and the results of its operations and its cash flows 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

December 17, 2007 (except as to Note 9  
which is as of February 28, 2008)



**Corsa Capital Ltd.**  
**(An Exploration Stage Company)**  
**Balance Sheet**  
*Canadian Funds*

	As at November 30, 2007
<b>ASSETS</b>	
<b>Current</b>	
Cash and cash equivalents	\$ 682,333
GST receivable	7,729
	690,062
<b>Resource Property Costs</b> <i>(Note 3)</i>	121,483
	\$ 811,545
<b>LIABILITIES</b>	
<b>Current</b>	
Accounts payable	\$ 71,121
<b>SHAREHOLDERS' EQUITY</b>	
<b>Share Capital</b> <i>(Note 4)</i>	749,501
<b>Contributed surplus</b> <i>(Note 4e)</i>	303,000
<b>Deficit</b>	(312,077)
	740,424
	\$ 811,545

Nature and continuance of operations (Note 1)  
 Subsequent events (Note 9)

ON BEHALF OF THE BOARD:

\_\_\_\_\_, Director

\_\_\_\_\_, Director

**Corsa Capital Ltd.**  
**(An Exploration Stage Company)**  
**Statement of Loss and Deficit**  
**For the Period June 14, 2007 to November 30, 2007**  
*Canadian Funds*

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<b>Expenses</b>	
Bank charges and interest	\$ 395
Foreign exchange loss	973
Legal, corporate secretary and accounting fees	7,709
Stock-based compensation	303,000
<b>Net Loss and Comprehensive Loss for the Period</b>	<b>(312,077)</b>
Deficit – Beginning of Period	-
<b>Deficit – End of the Period</b>	<b>\$ (312,077)</b>
<hr/>	
<b>Loss per Share – Basic and Diluted</b>	<b>\$ (0.09)</b>
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<b>Weighted Average Number of Common Shares Outstanding</b>	<b>3,389,563</b>

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- See Accompanying Notes -

**Corsa Capital Ltd.**  
**(An Exploration Stage Company)**  
**Statement of Cash Flows**  
**For the Period June 14, 2007 to November 30, 2007**  
*Canadian Funds*

	For the Period Ended November 30, 2007
<b>Cash Resources Provided By (Used In)</b>	
<b>Operating Activities</b>	
Net loss for the period	\$ (312,077)
Items not affected by cash:	
Stock-based compensation	303,000
	(9,077)
Changes in non-cash working capital	
GST receivable	(7,729)
Accounts payable and accrued liabilities	8,928
	(7,878)
<b>Investing Activities</b>	
Resource Property Costs	(59,290)
	(59,290)
<b>Financing Activities</b>	
Issuance of share capital, net	749,501
	749,501
<b>Net Increase in Cash and Cash Equivalents for the Period</b>	682,333
<b>Cash and Cash Equivalents – Beginning of the Period</b>	-
<b>Cash and Cash Equivalents – End of the period</b>	\$ 682,333
<b>Supplemental Schedule of Non-Cash Investing and Financial Activities</b>	
Accounts payable included in resource property costs and permits	\$ 62,193

- See Accompanying Notes -

**Corsa Capital Ltd.**  
**(An Exploration Stage Company)**  
**Schedule of Resource Property Costs**  
**For the Period June 14, 2007 to November 30, 2007**  
*Canadian Funds*

	Acquisition Costs	Deferred Exploration	Total
<b>Sy, Nunavut</b>			
Field and general	\$ -	\$ 84,220	\$ 84,220
Geological consulting	-	37,263	37,263
	-	121,483	121,483
<b>Resource property costs for the year</b>	-	121,483	121,483
<b>Balance beginning of year</b>	-	-	-
<b>Balance end of the year</b>	\$ -	\$ 121,483	\$ 121,483

- See Accompanying Notes -

**Corsa Capital Ltd.**  
**(An Exploration Stage Company)**  
**Notes to the Financial Statements**  
**For the period June 14, 2007 to November 30, 2007**  
*Canadian Funds*

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**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.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles in Canada 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, 2007, 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) Cash and Cash Equivalents

For purposes of reporting cash flows, the Company considers cash and cash equivalents to include amounts held in banks and highly liquid investments with maturities at point of purchase of 90 days or less.

c) Comprehensive Income

Comprehensive income 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 such as unrealized gains or losses on available-for-sale investments. Other comprehensive income includes the holding gains and losses from available for sale securities which are not included in net income (loss) until realized.

**Corsa Capital Ltd.**  
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**For the period June 14, 2007 to November 30, 2007**  
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**2. Significant Accounting Policies (Continued)**

d) Financial Instruments

Section 3855 requires that all financial assets, except those classified as held to maturity, and derivative financial instruments, must be measured at fair value. All financial liabilities must be measured at fair value when they are classified as held for trading; otherwise, they are measured at cost. Investments classified as available for sale are reported at fair market value (or mark to market) based on quoted market prices with unrealized gains or losses excluded from earnings and reported as other comprehensive income or loss. Investments subject to significant influence are reported at cost and not adjusted to fair market value.

e) 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 mineral 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.

f) Asset Retirement Obligations

The Company recognizes the fair value of legal obligations relating to retirement of property, plant, 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 period 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 during the current period as none of the Company's properties are estimated to require any remediation or other expenditures upon their retirement.

g) 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.

**Corsa Capital Ltd.**  
**(An Exploration Stage Company)**  
**Notes to the Financial Statements**  
**For the period June 14, 2007 to November 30, 2007**  
*Canadian Funds*

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**2. Significant Accounting Policies (Continued)**

h) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities the disclosure of contingent assets and liabilities at the date of the financial statements, and the amount of revenues and expenses reported during the period. Actual results may differ from those estimates.

i) 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.

j) Income taxes

The Company accounts for income taxes under the asset and liability method. Under this method of tax allocation, future income and mining tax assets and liabilities are determined based on differences between the financial statement carrying values and their respective income tax basis (temporary differences). Future income tax assets and liabilities are measured using the enacted tax rates expected to be in effect when the temporary differences are likely to reverse. The effect on future income tax assets and liabilities of a change in tax rates is included in income in the year in which the change is enacted or substantively enacted. The amount of future income tax assets recognized is limited to the amount that is more likely than not to be realized.

**3. Mineral Properties**

Details are as follows:

	Acquisition Costs	Exploration Costs	Cumulative as at November 30, 2007
Sy, Nunavut	\$ -	\$ 121,483	\$ 121,483

**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, by making the following Unit issuances and expenditures:

**Corsa Capital Ltd.**  
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**Notes to the Financial Statements**  
**For the period June 14, 2007 to November 30, 2007**  
*Canadian Funds*

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**3. Mineral Properties (Continued)**

Unit issuances:

i)	100,000	Upon listing on a recognized stock exchange
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>	

Minimum Expenditures:

i)	\$ 100,000	on or before December 31, 2007 (incurred)
ii)	200,000	on or before December 31, 2008
iii)	300,000	on or before December 31, 2009
iv)	400,000	on or before December 31, 2010*
v)	<u>1,000,000</u>	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 and can then earn a 60% interest by spending an additional \$1,000,000 on the property and issuing an additional 100,000 units.

Each "Unit" will consist 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 (or such other stock exchange or quotation system as Corsa's shares may be traded or quoted on) for the twenty consecutive trading days immediately prior to the date of issuance plus 25%. 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.

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**Notes to the Financial Statements**  
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**4. 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

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.

c) Warrants

There are currently no warrants outstanding.

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, November 30, 2007	\$ 303,000

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**5. Related Party Transactions**

During the period ended November 30, 2007, the Company incurred fees of \$5,010 to its CFO and Corporate Secretary of which \$4,198 was outstanding. Also during the period the Company's CEO advanced the company \$1,000 to cover expenditures incurred which remained outstanding at November 30, 2007. These transactions occurred in the normal course of business and have no interest or repayment terms.

**6. Income Taxes**

A reconciliation of income taxes at statutory rates is as follows;

	Period Ended November 30, 2007
Loss before income taxes	\$ (312,077)
Expected income tax recovery	\$ (107,002)
Tax deductible items	105,072
Unrecognized benefits of non-capital losses	1,930
Total income tax recovery	\$ -

Details of future income taxes assets are as follows:

	November 30, 2007
Non-capital losses available for future periods	\$ 1,700
Valuation allowance	1,700 (1,700)
Net future income tax assets	\$ -

The Company has non-capital loss carryforwards for Canadian income tax purpose of approximately \$5,600 which can be carried forward to reduce taxable income in future years. Unless utilized, these losses will expire in 2027. In addition, the Company has resource deductions of approximately \$125,000. Future tax benefits, which may arise as a result of these losses and resource expenditures, have not been recognized in these financial statements and have been offset by a valuation allowance.

**7. Financial Instruments**

The Company's financial instruments consist of cash, gst receivable and accounts payable. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

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**For the period June 14, 2007 to November 30, 2007**  
*Canadian Funds*

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**8. Commitments**

a) Pursuant to the flow-through common shares issued, the Company is committed to spending \$58,000 on qualified expenditures by December 31, 2008. As of November 30, 2007, the Company had not expended any of this money on qualified expenditures.

b) The Company is committed to certain unit issuances and exploration expenditures as described in Note 4.

**9. Subsequent events**

a) Subsequent to the period ended November 30, 2007, the Company closed a private placement of 1,000,000 common shares at a price of \$0.25 per common share, for gross proceeds of \$250,000.

b) The Company is in the process of filing a prospectus dated February 28, 2007 with certain securities regulatory authorities in Canada for 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 has agreed to pay the agent a 7.5% commission of the gross proceeds of the Offering, which is payable in cash. As additional compensation, the Company has agreed to grant the agent non-transferable warrants exercisable to acquire up to 350,000 common shares in the capital of the Company. The warrants will be exercisable at \$0.35 per share for a period of two years from the date the common shares are listed. In addition, the Company has agreed to issue \$50,000 worth of common shares of the company as a corporate finance fee upon the closing of the Offering. The Company has also agreed to pay the agent a \$15,000 work fee and up to \$20,000 to cover the agent's legal and IPO related expenses.

The Company has applied to list the common shares distributed under the prospectus on the TSX Venture Exchange ("TSX-V"). Listing will be subject to the Company fulfilling all the listing requirements of the TSX-V.