Consolidated Financial Statements

Macusani Yellowcake Inc.

For the Nine Months Ended June 30, 2009

Unaudited

INDEX

NOTICE TO READER

The accompanying unaudited interim consolidated financial statements have been prepared by the Company's management and the Company's independent auditors have not performed a review of these financial statements.

Macusani Yellowcake Inc.

Consolidated Balance Sheets
Unaudited - see Notice to Reader

	June 30, 2009	September 30, 2008 (Audited)
Assets		
Current Assets		
Cash and cash equivalents	$ 1,419,748	$ 230,421
Other receivables	121,950	148,753
Prepaid expenses	272,347	141,421
	1,814,045	520,595
Sales Taxes Recoverable (note 8)	242,392	155,701
Property, Plant and Equipment (note 9)	9,840	11,577
Mineral Properties and Deferred Exploration Costs (note 10)	6,679,775	4,489,033
	$ 8,746,052	$ 5,176,906
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	$ 195,449	$ 420,055
Accrued Preliminary Economic Assessment costs	366,370	-
	561,819	420,055
Shareholders' Equity		
Share Capital (note 11)	10,175,812	6,843,599
Warrants (note 12)	1,010,154	733,333
Stock Options (note 13)	1,098,156	988,576
Contributed Surplus (note 14)	1,095,430	241,257
Deficit	(5,195,319)	(4,049,914)
	8,184,233	4,756,851
	$ 8,746,052	$ 5,176,906

Nature of Operations (note 1)

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

Approved on behalf of the Board of Directors:

Signed "Alan Ferry", Director

Signed "Peter Hooper", Director

Macusani Yellowcake Inc.

Consolidated Statements of Operations and Deficit
Unaudited - see Notice to Reader

	Nine Months Ended		Three Months Ended	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
Revenue				
Interest income	$ 4,868	$ 47,503	$ 1,744	$ 16,632
Expenses				
Administrative and office	15,627	17,530	2,931	10,582
Advertising and promotion	23,689	31,505	7,075	16,333
Amortization	1,737	103	579	103
Bank charges	2,529	1,675	1,133	474
Consulting fees	410,565	304,087	132,201	143,070
Foreign exchange	(13,726)	423	(5,541)	283
Investor relations and marketing fees	50,349	484,918	13,139	150,183
Professional fees	296,502	243,265	120,088	98,782
Rent and utilities	52,141	18,000	17,418	6,000
Stock-based compensation (note 13)	230,420	198,743	58,228	12,600
Transaction costs	-	386,762	-	-
Transfer and filing fees	48,677	34,239	15,477	3,663
Travel	31,763	57,028	7,059	12,978
	1,150,273	1,778,278	369,787	455,051
Net Loss for the period	(1,145,405)	(1,730,775)	(368,043)	(438,419)
Deficit - Beginning of Period	(4,049,914)	(2,177,005)	(4,827,276)	(3,359,771)
Reverse Takeover Transaction Costs (note 3)	-	109,590	-	-
Deficit - End of Period	$(5,195,319)	$(3,798,190)	$(5,195,319)	$(3,798,190)
Loss per Share - basic and diluted	$ (0.03)	$ (0.07)	$ (0.01)	$ (0.02)
Weighted Average Number of Common Shares Outstanding - basic and diluted	33,055,939	24,137,745	36,372,932	24,296,285

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

Macusani Yellowcake Inc.

Consolidated Cash Flow Statements
Unaudited - see Notice to Reader

	Nine Months Ended		Three Months Ended	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
Cash Provided By (Used In):				
Operating Activities				
Net loss	$(1,145,405)	$(1,730,775)	$ (368,043)	$ (438,419)
Items not affecting cash:				
Amortization	1,737	103	579	103
Stock based compensation	230,420	198,743	58,228	12,600
Deferred transaction costs	-	386,762	-	-
	(913,248)	(1,145,167)	(309,236)	(425,716)
Net changes in non-cash working capital:				
Other receivables	26,803	(37,952)	14,386	(18,150)
Prepaid expenses	(108,246)	(166,645)	(65,506)	(38,528)
Accounts payable and accrued liabilities	(262,307)	375,742	(97,261)	136,687
Sales taxes recoverable	(86,691)	(87,907)	(7,992)	(28,943)
	(1,343,689)	(1,061,929)	(465,609)	(374,650)
Financing Activities				
Issuance of share capital	3,379,013	-	1,708,100	-
Issuance of warrants	1,010,154	-	539,400	-
Issuance costs	(46,800)	-	(46,800)	-
Deferred transaction costs	-	(126,608)	-	-
Proceeds of exercise of options	-	40,000	-	-
Cash acquired on amalgamation	-	65,901	-	-
	4,342,367	(20,707)	2,200,700	-
Investing Activities				
Mineral properties and deferred exploration costs	(1,809,351)	(1,398,347)	(936,764)	(489,192)
Capital assets	-	(12,422)	-	(12,422)
	(1,809,351)	(1,410,769)	(936,764)	(501,614)
Change in Cash and Cash Equivalents	1,189,327	(2,493,405)	798,327	(876,264)
Cash and Cash Equivalents - Beginning of Period	230,421	3,666,005	621,421	2,048,864
Cash and Cash Equivalents - End of Period	$ 1,419,748	$ 1,172,600	$ 1,419,748	$ 1,172,600
Supplemental Cash Flow Information				
Interest received	$ 4,868	$ 47,503	$ 1,744	$ 16,632
Significant Non-Cash Transaction Not Disclosed Above				
Shares issued for services rendered in connection with the amalgamation	$ -	$ 153,750	$ -	$ -

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

1. Nature of Operations

Macusani Yellowcake Inc. (the "Company") is an Ontario corporation formed by amalgamation on October 31, 2007 as described below. A predecessor corporation, Macusani Yellowcake Inc. ("Old Macusani"), commenced operations in November 2006. The other predecessor corporation, Silver Net Equities Corp. ("Silver Net"), was classified as a Capital Pool Company as defined by the TSX Venture Exchange.

The Company owns numerous mineral property claims in Peru. The Company is in the process of exploring its mineral properties and has not yet determined the quantum of mineral reserves. Consequently, the Company considers itself to be an exploration stage company.

These consolidated financial statements include the accounts of the Company and its subsidiary, Global Gold SAC. All significant intercompany accounts and transactions have been eliminated on consolidation.

2. Acquisition

On January 31, 2007, Old Macusani purchased 99.5% of the outstanding shares of Global Gold SAC, a Peruvian company holding various rights to several mineral properties prospective for uranium located in southeastern Peru, for purchase consideration of $525,000. Old Macusani allocated the purchase price to the fair market value of the assets acquired. Specifically, $866 was allocated to cash and cash equivalents and $524,134 was allocated to mineral properties and deferred exploration costs. The purchase price was satisfied by the issuance of 1,500,000 common shares.

3. Acquisition and Amalgamation

Old Macusani entered into a merger agreement (the "Agreement") with Silver Net dated September 14, 2007 under which Old Macusani and Silver Net agreed to amalgamate and form one company.

On October 31, 2007, pursuant to the Agreement, Old Macusani amalgamated with Silver Net and issued 1,100,000 common shares of the Company to the shareholders of Silver Net in exchange for all of the issued and outstanding shares of Silver Net, and 110,000 stock options in exchange for all of the issued and outstanding Silver Net stock options. Completion of the transaction constituted Silver Net's qualifying transaction under TSX Venture Exchange policies. The shareholders of Old Macusani held the majority of the outstanding shares of the Company following the transaction, and accordingly, the transaction has been accounted for as a reverse takeover. Since Silver Net's operations do not constitute an economic unit, the transaction has been accounted for as a capital transaction. The comparative figures presented in these financial statements contain the historical results of Old Macusani.

On November 13, 2007, the common shares of the Company began trading on the TSX Venture Exchange.

4. Interim Financial Statements

These unaudited interim consolidated financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles on a basis consistent with those followed in the most recent audited financial statements. These interim consolidated financial statements have not been reviewed by the Company's auditors.

The notes presented in these unaudited interim consolidated financial statements include only significant events and transactions and are not fully inclusive of all matters required by Canadian generally accepted accounting principles for annual audited financial statements. Accordingly, these unaudited interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and accompanying notes for the year ended September 30, 2008.

5. Basis of Presentation

These interim consolidated financial statements have been prepared on a going concern basis in accordance with Canadian generally accepted accounting principles. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. There is significant doubt about the appropriateness of the use of the going concern assumption because the Company has experienced losses and negative operating cash flows. The application of the going concern concept is dependent on the Company's ability to generate future profitable operations. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become payable.

These interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. If the going concern basis was not appropriate for these interim consolidated financial statements, then adjustments may be necessary in the carrying value of assets and liabilities, and the balance sheet classifications used. See also note 4.

6. Capital Disclosures

The Company's objective is to raise sufficient capital to execute its exploration plan. The Company defines capital to be shareholders' equity. The Company evaluates the effectiveness of its capital management by comparing actual spending levels to budgeted amounts. The Company does not have any externally imposed capital requirements. There have not been any changes to the overall capital risk management strategy during the period ended June 30, 2009.

7. Financial Instruments

The Company has classified its financial instruments as follows:

Financial Instrument	Classification
Cash and cash equivalents	Held for trading
Other receivables	Loans and receivables
Sales taxes recoverable	Loans and receivables
Accounts payable and accrued liabilities	Other liabilities
Accrued Preliminary Economic Assessment costs	Other liabilities

Cash and cash equivalents include bank deposits and short term investments. The short term investments are term deposits with a reputable Canadian chartered bank.

The Company's exposure to various risks and the impact upon the Company's financial statements are as follows:

Commodity Price Risk

The ability of the Company to develop its properties and the future profitability of the Company is directly related to the market price of certain minerals.

Currency Risk

The Company's primary operations are located in Peru. The Company pays most of its Peruvian costs in United States Dollars or Peruvian Nuevos Soles, and is therefore subject to foreign exchange risk on this payment stream. The Company is also exposed to currency risk on purchases from suppliers denominated in United Kingdom Pounds Sterling and South African Rand.

Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet the obligations associated with its working capital. The Company has sufficient funds to settle its short term working capital requirements.

Sensitivity Analysis

As at June 30, 2009, cash and cash equivalents includes 283,451 United States Dollars and 1,151 Peruvian Nuevos Soles, sales taxes recoverable includes 630,933 Peruvian Nuevos Soles, and accounts payable and accrued liabilities includes 14,950 United States Dollars, 45,745 Peruvian Nuevos Soles, 191,596 United Kingdom Pounds Sterling, and 141,964 South African Rand.

At June 30, 2009, if the Canadian Dollar had weakened (strengthened) 10 percent against the United States Dollar with all other variables held constant, the net loss for the period would have been $32,658 higher (lower). If the Canadian Dollar had weakened (strengthened) 10 percent against the Peruvian Nuevos Sol with all other variables held constant, the net loss for the period would have been $22,633 higher (lower). If the Canadian Dollar had weakened (strengthened) 10 per cent against the United Kingdom Pound Sterling with all other variables held constant, the net loss for the period would have been $36,637 higher (lower). If the Canadian Dollar had weakened (strengthened) 10 per cent against the South African Rand with all other variables held constant, the net loss for the period would have been $2,132 higher (lower).

8. Sales Taxes Recoverable

These amounts represent recoverable sales taxes paid by the Company's subsidiary, Global Gold SAC. These amounts are recoverable when the subsidiary reaches certain spending or income levels.

9. Property, Plant and Equipment

	June 30 , 2009			September 30, 2008
	Cost	Accumulated Amortization	Net	Net
Furniture and equipment	$ 12,863	$ 3,023	$ 9,840	$ 11,577

10. Mineral Properties and Deferred Exploration Costs

	Nine Months Ended June 30, 2009	Nine Months Ended June 30, 2008
Current expenditures	$ 2,190,742	$ 1,399,839
Balance - beginning of period	4,489,033	2,539,461
Write-down of mineral properties	-	-
Balance - end of period	$ 6,679,775	$ 3,939,300

During the period ended June 30, 2009, the Company acquired the Corachapi and Kihitian concessions on the Macusani Plateau, including all related data and equipment, for cash consideration of $500,000. The Company also assumed a 1% net smelter royalty obligation in respect of the Corachapi concessions in connection with this transaction. Significant prior exploration work has been carried out on these concessions, and the Company is in the process of recovering all prior exploration data and plans to have an independent third party calculate a resource in accordance with National Instrument 43-101.

11. Share Capital

a) Authorized:

Unlimited common shares

b) Common Shares Issued and Outstanding:

	Number	Amount
Balance - September 30, 2008	24,296,285	$ 6,843,599
Issued for cash	17,114,999	3,379,013
Issued for services rendered	320,000	60,800
Less: Issuance costs	-	(107,600)
Balance - June 30, 2009	41,731,284	$ 10,175,812

During the period ended June 30, 2009, the Company:

i) Issued 7,619,047 units (pursuant to a private placement) for cash proceeds of $2,000,000, of which $470,754 was allocated to common share purchase warrants ("warrants") (see note 12).

Each unit consists of one common share and 0.60 of one warrant. Each whole warrant entitles the holder to purchase one common share at a price of $0.35 per share at any time prior to October 23, 2010 (the "expiry date"). The estimated fair value of the warrants was estimated at approximately $0.103 per warrant and this amount has been allocated to the warrant component of the units.

The fair value of the warrants was estimated at the grant date based on the Black-Scholes pricing model, using the following assumptions:

Expected dividend yield	Nil
Risk-free interest rate	2.07%
Expected life	2 years
Expected volatility	123%

11. Share Capital (continued)

ii) Issued 8,990,000 units (pursuant to a private placement) for cash proceeds of $2,247,500, of which $539,400 was allocated to warrants (see note 12).

Each unit consists of one common share and one-half of one warrant. Each whole warrant entitles the holder to purchase one common share at a price of $0.30 per share at any time prior to May 22, 2011 (the "expiry date"). The estimated fair value of the warrants was estimated at approximately $0.12 per warrant and this amount has been allocated to the warrant component of the units.

In connection with the private placement, the Company paid fees totalling $46,800 and issued 320,000 finder's common shares with a value of $60,800.

The fair value of the warrants was estimated at the grant date based on the Black-Scholes pricing model, using the following assumptions:

Expected dividend yield	Nil
Risk-free interest rate	1.27%
Expected life	2 years
Expected volatility	142%

Warrant pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company's warrants.

iii) Issued 505,952 common shares for gross proceeds of $141,667 pursuant to a private placement.

12. Warrants

a) A summary of changes to warrants is as follows:

	Number	Amount
Balance - September 30, 2008	3,333,332	$ 733,333
Issued for cash	9,066,428	1,010,154
Expired	(3,333,332)	(733,333)
Balance - June 30, 2009	9,066,428	$ 1,010,154

12. Warrants (continued)

b) As at June 30, 2009, the following warrants were issued and outstanding:

i) 4,571,428 warrants entitling the holder to purchase one common share at $0.35 per share at any time prior to October 23, 2010 (the "expiry date").

ii) 4,495,000 warrants entitling the holder to purchase one common share at $0.30 per share at any time prior to May 22, 2011 (the "expiry date").

13. Stock Options

a) The Company has adopted a stock option plan for the Company (the "Plan"). Pursuant to the Plan, the Board of Directors may, from time to time at its discretion, allocate non-transferable options to purchase shares to directors, officers, employees and consultants of the Company and its subsidiary.

Under the Plan, the aggregate number of shares to be issued upon the exercise of outstanding options granted thereunder may not exceed 15% of the number of issued and outstanding shares.

Expiry dates and exercise prices shall be determined by the Board of Directors. The exercise price shall not be less than the market price.

b) During the period ended June 30, 2009, the Company:

Granted 1,913,000 stock options to directors, officers, employees, and consultants, one-third of which vested immediately, with a further one-third vesting in each of September 2009 and March 2010. Each option entitles the holder to purchase one share of the Company's common stock at a price of $0.25 per share until February 6, 2014.

The fair value of stock options to to directors, officers, employees, and consultants was estimated at the grant date based on the Black-Scholes pricing model, using the following weighted average assumptions:

Expected dividend yield	Nil
Risk-free interest rate	2.10%
Expected life	5.0 years
Expected volatility	167%

13. Stock Options (continued)

c) A summary of changes to stock options is as follows:

	Number	Amount
Balance - September 30, 2008	3,415,000	$ 988,576
Granted	1,913,000	133,910
Stock-based compensation expensed	-	96,510
Cancelled	(318,000)	(120,840)
Balance - June 30, 2009	5,010,000	$ 1,098,156

d) Stock options were granted, exercised and expired/cancelled as follows:

	Number	Weighted Average Exercise Price
Balance - September 30, 2008	3,415,000	$ 0.35[1]
Granted	1,913,000	0.25
Cancelled	(318,000)	(0.35)[1]
Balance - June 30, 2009	5,010,000	$ 0.31

[1] During the period ended June 30, 2009, the Company amended the option price of all outstanding options to $0.35 per share. The Company also extended the expiry date on some of the options by two years.

e) As at June 30, 2009, the following stock options were outstanding:

	Number of Options		
Option Price	**Unvested**	**Vested**	**Expiry Date**
$ 0.35[1]	-	1,200,000	January 30, 2012
$ 0.35[1]	-	200,000	February 7, 2012
$ 0.35[1]	-	1,177,000	May 29, 2012
$ 0.35[1]	-	250,000	October 10, 2012
$ 0.35[1]	-	45,000	November 20, 2012
$ 0.35[1]	-	100,000	December 20, 2010
$ 0.35[1]	-	100,000	March 1, 2011
$ 0.35[1]	8,336	16,664	June 9, 2011
$ 0.25	1,275,325	637,675	February 6, 2014

[1] During the period ended June 30, 2009, the Company amended the option price of all outstanding options to $0.35 per share. The Company also extended the expiry date on some of the options by two years.

14. Contributed Surplus

Contributed surplus consists of expired/ cancelled stock options and warrants. A summary of changes to contributed surplus is as follows:

Balance - September 30, 2008	$ 241,257
Warrants expired	733,333
Options cancelled	120,840
Balance - June 30, 2009	$ 1,095,430

15. Related Party Transactions

During the period ended June 30, 2009, the Company:

a) Incurred consulting fees of $90,000 with a company controlled by a director. The Company also incurred consulting fees of $45,000 with two individuals related to this director. As at June 30, 2009, $2,724 was included in accounts payable and accrued liabilities. The director is also an officer and a shareholder.

b) Incurred rental expenses of $52,141 and administrative expenses of $4,073 with a company in which a director of the Company is an officer and director. As at June 30, 2009, $12,243 was included in prepaid expenses. The director is also an officer and a shareholder.

c) Incurred consulting fees of $72,000 with a company controlled by a former officer.

d) Incurred fees of $109,627 with a legal firm in which a former director of the Company is a partner. As at June 30, 2009, $41,992 was included in accounts payable and accrued liabilities.

e) Incurred management fees of $115,871 and vehicle rental expenses of $43,715 with a company controlled by a director.

f) Incurred fees of $116,351 with an accounting firm in which an officer of the Company is a partner. As at June 30, 2009, $12,052 was included in accounts payable and accrued liabilities.

g) Incurred consulting fees of $45,000 with a company controlled by a director. As at June 30, 2009, $15,000 was included in accounts payable and accrued liabilities.

16. Commitments

During the year ended September 30, 2008, the Company amended an existing agreement which called for the provision of financial and corporate advisory services in exchange for the quarterly issuance of 60,000 common shares of the Company until January 31, 2010. This agreement was amended to replace the quarterly issuance of 60,000 common shares of the Company with a quarterly fee of $24,000 payable in cash, or at the Company's option and subject to regulatory approval, common shares of the Company.

During the year ended September 30, 2008, the Company amended an existing agreement which called for the provision of corporate consulting services in exchange for an annual fee of $60,000 payable monthly and the quarterly issuance of 30,000 common shares of the Company until January 31, 2010. This agreement was amended to replace the annual fee of $60,000 and the quarterly issuance of 30,000 common shares of the Company with an annual fee of $125,000 payable quarterly in cash, or at the Company's option and subject to regulatory approval, common shares of the Company.

During the year ended September 30, 2008, the Company entered into a sub-leasing agreement for office premises with a company in which a director of the Company is an officer and director (see also note 15(b)). The minimum lease obligations under this lease are as follows:

2009	$ 33,759
2010	$ 33,759
2011	$ 33,951
2012	$ 36,061
2013	$ 36,061
2014	$ 33,056

The Company also expects to incur operating costs associated with this lease of approximately $36,000 per year.

17. Environmental Obligations

The Company's mining and exploration activities are governed by Peruvian Legislative Decree No. 613. The Company is required to present environmental studies on the impact of its exploration and mining operations to the Ministry of Energy and Mines.

To date, the Company has not incurred any significant environmental liabilities.