

**Canadian International Minerals Inc.**

**Financial Statements**

**June 30, 2009**

**in Canadian dollars**

**In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited financial statements for the period ended June 30, 2009.**

**Canadian International Minerals Inc.**  
**Balance Sheets**  
**As at June 30 and March 31, 2009**  
**(in Canadian dollars)**

|   | June 30, 2009     | March 31,<br>2009 |
|---|-------------------|-------------------|
| <b>ASSETS</b>                             |                   |                   |
| Current Assets                            |                   |                   |
| Cash and cash equivalents (note 3)        | \$ 139,650        | \$ 320,953        |
| Interest and GST receivable               | 22,340            | 19,853            |
| Prepaid expenses                          | 21,000            | 1,431             |
|   | <u>182,990</u>    | <u>342,237</u>    |
| Resource properties (schedule 1) (note 4) | 377,273           | 206,513           |
| Equipment (note 5)                        | 8,622             | 9,266             |
|   | <u>\$ 568,885</u> | <u>\$ 558,016</u> |
| <b>LIABILITIES</b>                        |                   |                   |
| Current Liabilities                       |                   |                   |
| Accounts payable and accrued liabilities  | \$ 81,368         | \$ 48,905         |
| <b>SHAREHOLDERS' EQUITY</b>               |                   |                   |
| Capital stock                             |                   |                   |
| Authorized                                |                   |                   |
| Unlimited shares of no par value          |                   |                   |
| Issued and outstanding (note 6)           | 1,088,006         | 1,081,756         |
| Share subscriptions (note 12)             | 59,000            | -                 |
| Contributed surplus (note 7)              | 134,558           | 134,558           |
| Deficit                                   | (794,047)         | (707,203)         |
|   | <u>487,517</u>    | <u>509,111</u>    |
|   | <u>\$ 568,885</u> | <u>\$ 558,016</u> |

Nature of operations (Note 1)

On behalf of the Board:

"Michael Schuss"  
Chief Executive Officer

"Michael Schuss"  
Chief Financial Officer

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

**Canadian International Minerals Inc.**  
**Statements of Operations, Comprehensive Loss and Deficit**  
**(in Canadian dollars)**

|  | <b>Three months<br/>ended June<br/>30, 2009</b> | <b>Three months<br/>ended June<br/>30, 2008</b> |
|--|---|---|
| <b>Expenses</b>                                |   |   |
| Amortization                                   | \$ 644  | \$ -  |
| Bank charges and interest                      | 59  | 59  |
| Consulting fees (note 8)                       | 6,870   | 26,001  |
| General exploration costs                      | 6,445   | -   |
| Management and director's fees (note 8)        | 33,000  | -   |
| Office and general                             | 2,606   | 2,386   |
| Professional fees                              | 9,245   | 29,868  |
| Rent (note 8)                                  | 3,300   | 1,500   |
| Shareholder liaison and promotion              | 8,570   | -   |
| Transfer agent and filing fees                 | 4,390   | 33,299  |
| Travel   | 11,792  | -   |
| <b>Total expenses</b>                          | <b>86,921</b>                                   | <b>93,113</b>                                   |
| <b>Other item</b>                              |   |   |
| Interest income                                | 78  | 359   |
| <b>Net and comprehensive loss for the year</b> | <b>(86,843)</b>                                 | <b>(92,754)</b>                                 |
| <b>Deficit, beginning of year</b>              | <b>(707,204)</b>                                | <b>(290,953)</b>                                |
| <b>Deficit, end of period</b>                  | <b>\$ (794,047)</b>                             | <b>\$ (383,707)</b>                             |
| <b>Loss per share, basic and diluted</b>       | <b>\$ (0.01)</b>                                | <b>\$ (0.05)</b>                                |
| <b>Weighted average shares outstanding</b>     | <b>11,536,668</b>                               | <b>7,221,210</b>                                |

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

**Canadian International Minerals Inc.**  
**Statements of Cash Flows**  
**(in Canadian dollars)**

|   | <b>Three months<br/>ended June<br/>30, 2009</b> | <b>Three months<br/>ended June<br/>30, 2008</b> |
|---|---|---|
| <b>Operating Activities</b>                           |   |   |
| Net loss for the period                               | \$ (86,843)                                     | \$ (92,754)                                     |
| Items not involving cash                              |   |   |
| Amortization  | 644   | -   |
|   | (86,199)  | (92,754)  |
| Changes in non-cash working capital                   |   |   |
| Interest and GST receivable                           | (2,487)   | (3,573)   |
| Prepaid expenses                                      | (19,569)  | 18,000  |
| Accounts payable and accrued liabilities              | 32,462  | (24,367)  |
| <b>Net cash used in operating activities</b>          | <b>(75,793)</b>                                 | <b>(102,694)</b>                                |
| <b>Financing Activities</b>                           |   |   |
| Share issuances                                       | -   | 800,000   |
| Share issue costs                                     | -   | (64,000)  |
| Share subscriptions                                   | 59,000  | -   |
| <b>Net cash provided from financing activities</b>    | <b>59,000</b>                                   | <b>736,000</b>                                  |
| <b>Investing Activities</b>                           |   |   |
| Acquisition of resource properties                    | (76,000)  | -   |
| Deferred exploration costs                            | (88,510)  | (2,293)   |
| <b>Net cash used in investing activities</b>          | <b>(164,510)</b>                                | <b>(2,293)</b>                                  |
| <b>Change in cash and cash equivalents</b>            | <b>(181,303)</b>                                | <b>631,013</b>                                  |
| <b>Cash and cash equivalents at beginning of year</b> | <b>320,953</b>                                  | <b>2,213</b>                                    |
| <b>Cash and cash equivalents at end of period</b>     | <b>\$ 139,650</b>                               | <b>\$ 633,226</b>                               |
| <b>Cash and cash equivalents consists of:</b>         |   |   |
| Cash  | \$ 93,650                                       | \$ 633,226                                      |
| Guaranteed investment certificates (Note 3)           | 46,000  | -   |
|   | <b>\$ 139,650</b>                               | <b>\$ 633,226</b>                               |

Supplemental cash flow information (Note 2)

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

**Canadian International Minerals Inc.**  
**Schedule of Resource Properties**  
(in Canadian dollars)

**Schedule 1**

**Three months ended June 30, 2009**

|                                   | Copper Mountain | Lady Bug      | Lanny Claims | Solar Silicon | Carbo Claims  | Deadhorse Creek | Excelsior     | Total          |
|-----------------------------------|-----------------|---------------|--------------|---------------|---------------|-----------------|---------------|----------------|
| Balance, beginning of year        | \$ 71,285       | \$ 10,534     | \$ 8,499     | \$ 68,695     | \$ 47,500     | \$ -            | \$ -          | \$ 206,513     |
| Acquisition costs                 |                 |               |              |               |               |                 |               |                |
| Cash                              | -               | -             | -            | -             | -             | 5,000           | 71,000        | 76,000         |
| Shares                            | -               | -             | -            | 6,250         | -             | -               | -             | 6,250          |
|                                   | -               | -             | -            | 6,250         | -             | 5,000           | 71,000        | 82,250         |
| Deferred exploration expenditures |                 |               |              |               |               |                 |               |                |
| Geological consulting             | 67,831          | -             | -            | 210           | 20,000        | 19              | 450           | 88,510         |
|                                   | 67,831          | -             | -            | 210           | 20,000        | 19              | 450           | 88,510         |
| <b>Total</b>                      | <b>139,116</b>  | <b>10,534</b> | <b>8,499</b> | <b>75,155</b> | <b>67,500</b> | <b>5,019</b>    | <b>71,450</b> | <b>377,273</b> |
| Write-offs                        | -               | -             | -            | -             | -             | -               | -             | -              |
| Balance, end of period            | \$ 139,116      | \$ 10,534     | \$ 8,499     | \$ 75,155     | \$ 67,500     | \$ 5,019        | \$ 71,450     | \$ 377,273     |

**Year ended March 31, 2009**

|                                   | Copper Mountain | Lady Bug      | Lanny Claims | Solar Silicon | Carbo Claims  |          |          | Total          |
|-----------------------------------|-----------------|---------------|--------------|---------------|---------------|----------|----------|----------------|
| Balance, beginning of year        | \$ 46,997       | \$ -          | \$ -         | \$ -          | \$ -          | \$ -     | \$ -     | \$ 46,997      |
| Acquisition costs                 |                 |               |              |               |               |          |          |                |
| Cash                              | -               | 10,534        | 7,500        | 45,000        | 10,000        | -        | -        | 73,034         |
| Shares                            | -               | -             | -            | 18,750        | 37,500        | -        | -        | 56,250         |
|                                   | -               | 10,534        | 7,500        | 63,750        | 47,500        | -        | -        | 129,284        |
| Deferred exploration expenditures |                 |               |              |               |               |          |          |                |
| Geological consulting             | 24,288          | -             | 999          | 4,945         | -             | -        | -        | 30,232         |
|                                   | 24,288          | -             | 999          | 4,945         | -             | -        | -        | 30,232         |
| <b>Total</b>                      | <b>71,285</b>   | <b>10,534</b> | <b>8,499</b> | <b>68,695</b> | <b>47,500</b> | <b>-</b> | <b>-</b> | <b>206,513</b> |
| Write-offs                        | -               | -             | -            | -             | -             | -        | -        | -              |
| Balance, end of year              | \$ 71,285       | \$ 10,534     | \$ 8,499     | \$ 68,695     | \$ 47,500     | \$ -     | \$ -     | \$ 206,513     |

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

**Canadian International Minerals Inc.**  
**Notes to Financial Statements**  
**June 30, 2009**  
(in Canadian dollars)

**1. NATURE OF OPERATIONS & SIGNIFICANT ACCOUNTING POLICIES**

Canadian International Minerals Inc. was incorporated under the Business Corporations Act (British Columbia) on March 2, 2006. The Company is engaged in the acquisition and exploration of mineral properties in Canada.

The Company is in the process of acquiring and exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The continued operations of the Company and the recoverability of the amounts shown for mineral properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and upon future profitable production.

|                 | June 30, 2009 | March 31,<br>2009 |
|-----------------|---------------|-------------------|
| Deficit         | \$ (794,047)  | \$ (707,203)      |
| Working capital | \$ 101,622    | \$ 293,332        |

These interim financial statements should be read in conjunction with the audited March 31, 2009 annual financial statements.

These interim financial statements follow the same accounting policies and methods of their application as in the March 31, 2009 annual financial statements. These interim financial statements do not conform in all respects to the requirements of Canadian generally accepted accounting principles for annual financial statements in that they do not include all note disclosures.

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities at the date of the financial statements and expenses for the periods reported. Actual results could differ from those estimates.

**2. SUPPLEMENTAL CASH FLOW INFORMATION AND NON-CASH TRANSACTIONS**

|                   | 2009 | 2008 |
|-------------------|------|------|
| Interest paid     | \$ - | \$ - |
| Income taxes paid | \$ - | \$ - |

The Company incurred non-cash financing and investing activities during the period ended June 30, 2009 and 2008 as follows:

|                                    | 2009     | 2008 |
|------------------------------------|----------|------|
| Non-cash financing activities      |          |      |
| Issue of share capital for:        |          |      |
| Resource properties                | \$ 6,250 | \$ - |
| Corporate finance fee              | -        | -    |
| Share issue costs                  | -        | -    |
|                                    | \$ 6,250 | \$ - |
| Non-cash investing activities      |          |      |
| Acquisition of resource properties | \$ -     | \$ - |

**3. GUARANTEED INVESTMENT CERTIFICATES**

The following non-transferable BMO investment certificates have been classified as financial instruments held for trading and are accounted for at a fair value of \$46,000 (2008 - \$Nil).

|  | 2009      | 2008 |
|--|-----------|------|
| Guaranteed Investment Certificate due August 11, 2009, at cost bearing interest at 2.65% per annum | \$ 46,000 | \$ - |

#### **4. RESOURCE PROPERTIES**

(a) Copper Mountain

The Company entered into two assignment of mineral title agreements on January 31, 2007. The first agreement was between Michael Schuss (CEO of the Company) and the Company. In consideration of \$10,000 Mr. Schuss assigned and transferred all rights, title and interest in seven claims. The second agreement between Larry Ralph Sostad and the Company assigned and transferred all rights, title and interest in two claims to the Company for consideration of \$6,000 which were written-off during the year ended March 31, 2008 due to unfavorable results. The area is located at the southern end of the Thompson Plateau, overlooking the Similkameen River Canyon 15 km from Princeton, British Columbia.

(b) Lady Bug

The Company acquired a 100% interest in mineral claims located in the Monashee region of east central British Columbia. The acquisition cost was \$10,000 paid to Michael Schuss (CEO of the Company) as a reimbursement of costs.

(c) Lanny Claims

The Company acquired a 100% interest in mineral claims located near Sinclair Mills, British Columbia for the sum of \$7,500 and recording costs.

(d) Solar Silicon

The Company has entered into an option agreement on September 3, 2008 to acquire a 100% interest in the Solar claim group located approximately 2 km north east of the town of Golden, British Columbia. The Solar claims are 888 hectares in area.

The Company can earn a 100% interest in the Solar claims by paying, \$45,000 (paid) and 375,000 common shares (issued at a price of \$0.05 per share) on signing, 250,000 common share in six months (issued at a price of \$0.025 per share), and 250,000 common shares in 12 months.

(e) Carbo Claims

On January 15, 2009, the Company entered into an agreement to explore and develop a rare earth element property in central British Columbia. Under the terms of the agreement, the Company will acquire a 75% interest in the Carbo Claims. The property consists of four mineral claims with a total area of 1,464 hectares, located approximately 80 km northeast of Prince George.

The terms of the agreement are as follows:

(i) the payment of \$30,000

\$10,000 on signing (paid)  
\$10,000 on January 15, 2010, and  
\$10,000 on January 15, 2011.

(ii) the issuance of 1,500,000 shares

500,000 shares on approval of the Canadian National Stock Exchange (issued at price of \$0.075 per share),  
500,000 shares on January 15, 2010, and  
500,000 shares on January 15, 2011.

(iii) The Company must incur a total of \$198,000 in exploration expenditures within a three-year period.

(f) Deadhorse Creek

The Company paid a deposit of \$5,000 pursuant to the acquisition of the Deadhorse Creek claims. See note 12 - Subsequent events.

(g) Excelsior Property

The Company acquired a 100% interest in the Excelsior claims in north western Yukon for staking and one time vendor costs. It is anticipated that costs will approximate \$100,000 on completion.

Canadian International Minerals Inc.  
Notes to Financial Statements  
June 30, 2009  
(in Canadian dollars)

5. EQUIPMENT

| June 30, 2009          | Cost             | Accumulated<br>amortization | Net book<br>value |
|------------------------|------------------|-----------------------------|-------------------|
| Computer equipment     | \$ 8,501         | \$ 1,817                    | \$ 6,684          |
| Furniture and fixtures | 2,267            | 329                         | 1,938             |
|                        | <u>\$ 10,768</u> | <u>\$ 2,146</u>             | <u>\$ 8,622</u>   |
| <b>March 31, 2009</b>  |                  |                             |                   |
| Computer equipment     | \$ -             | \$ -                        | \$ -              |
| Furniture and fixtures | -                | -                           | -                 |
|                        | <u>\$ -</u>      | <u>\$ -</u>                 | <u>\$ -</u>       |

6. CAPITAL STOCK

(a) Authorized

Unlimited common shares of no par value

(b) Issued and outstanding

|   | Shares     | Amount       |
|---|------------|--------------|
| Balance at March 31, 2008                 | 6,430,001  | \$ 344,695   |
| Initial public offering                   | 4,000,000  | 800,000      |
| Shares for corporate finance fee          | 40,000     | 8,000        |
| Issue costs                               | -          | (127,189)    |
| Issued for property acquisition (note 4d) | 375,000    | 18,750       |
| Issued for property acquisition (note 4e) | 500,000    | 37,500       |
| Balance at March 31, 2009                 | 11,345,001 | 1,081,756    |
| Issued for property acquisition (note 4d) | 250,000    | 6,250        |
| Balance at June 30, 2009                  | 11,595,001 | \$ 1,088,006 |

As at June 30, 2009, the Company had 2,044,501 shares in escrow. Escrowed shares are released at a rate of 10% on completion of Initial Public offering (IPO) and 15% every six months after IPO which was completed on June 13, 2008.

During the year ended March 31, 2009, the Company issued 375,000 common shares at a price of \$0.05 per share under the option agreement of Solar Silicon project (note 5d), and 500,000 common shares at a price of \$0.075 per share under the option agreement of Carbo Claims (note 5e). The shares were issued at the closing bid price of the previous transaction day.

The Company completed an initial public offering of 4,000,000 shares at \$0.20 per share on June 13, 2008, giving the Company \$680,811 to the treasury after costs. Issue costs include the agent's commission at 8% or \$64,000, a sponsorship fee of \$25,000 and legal and accounting fees of \$30,189. The agent also received 40,000 shares as a corporate finance fee.

(c) Stock options

The Company has a stock option plan which allows for the number of shares reserved for issuance pursuant to the exercise of stock options to be 20% of the issued and outstanding common shares as at the date of its last AGM, being 2,086,000 shares (the "2008 Plan"). The terms of the 2008 Plan comply with the policies of the CNSX and TSX Venture Exchange. Options granted under the Plan may have a maximum term of five (5) years. The exercise price of the options granted under the Plan will not be less than the fair market value of the common stock at the date of grant. The Plan Administrator shall specify the vesting schedule for each stock option granted.

The Company has granted employees, consultants, directors and officers share purchase options.

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Notes to Financial Statements  
June 30, 2009  
(in Canadian dollars)

6. CAPITAL STOCK continued

(i) The changes in stock options were as follows:

|  | 2009              |                                 | 2008              |                                 |
|--|-------------------|---------------------------------|-------------------|---------------------------------|
|  | Number of Options | Weighted Average Exercise Price | Number of Options | Weighted Average Exercise Price |
| Balance outstanding, beginning of period | 1,000,000         | \$ 0.25                         | -                 | \$ -                            |
| Options granted                          | -                 | -                               | 1,000,000         | 0.25                            |
| Balance outstanding, end of period       | 1,000,000         | \$ 0.25                         | 1,000,000         | \$ 0.25                         |

(ii) The following table summarizes information about stock options outstanding and exercisable at June 30, 2009:

| Range of exercise prices | Number outstanding at June 30, 2009 | Weighted average remaining contractual life (years) |
|--------------------------|-------------------------------------|---|
| \$ 0.25                  | 1,000,000                           | 1.0   |

(d) Warrants

Nil

7. CONTRIBUTED SURPLUS

Contributed surplus is as follows:

|                            | June 30, 2009 | March 31, 2009 |
|----------------------------|---------------|----------------|
| Balance, beginning of year | \$ 134,558    | \$ -           |
| Options granted            | -             | 134,558        |
| Balance, at end of period  | \$ 134,558    | \$ 134,558     |

8. RELATED PARTY TRANSACTIONS

The following expenses were incurred with directors and officers of the Company

|   | Three months ended June 30, 2009 | Three months ended June 30, 2008 |
|---|----------------------------------|----------------------------------|
| Rent - to a company controlled by a former director | \$ -                             | \$ 1,500                         |
| Management fees                                     | 33,000                           | -                                |
| Consulting fees                                     | 6,000                            | 15,300                           |
|   | \$ 39,000                        | \$ 16,800                        |

These charges were measured by the exchange amount, which is the amount agreed upon by the transacting parties.

As at June 30, 2009 accounts payable and accrued liabilities included \$16,000 (March 31, 2009 - \$nil) owing to officers and directors.

9. CAPITAL DISCLOSURES

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of mineral properties, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. Capital of the Company comprises shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

## **10. FINANCIAL INSTRUMENTS**

### Financial Instruments

As at June 30, 2009, the Company's financial instruments consist of cash and cash equivalents, receivables and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values because of their current nature.

### Credit Risk

The Company is exposed to credit risk with respect to its cash and cash equivalents. However, the risk is minimized as they are held at a major Canadian Chartered Bank.

### Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits.

### Foreign Exchange Risk

The Company does not have significant foreign exchange risk as all of its transactions are in Canadian dollars.

### Interest Rate Risk

The Company is not exposed to significant interest rate risk.

## **11. RISK MANAGEMENT**

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations; however it is not possible to be certain that all aspects of environmental issues affecting the Company, if any, have been fully determined or resolved.

## **12. SUBSEQUENT EVENT**

### **(a) Resource property acquisitions**

#### **Deadhorse Creek**

On July 31, 2009 the Company announced it had entered into an option agreement (the "Agreement") to purchase 100% of the Deadhorse Creek ("DHC Property") rare earth element property. The DHC Property consists of 52 units in Walsh Township in the Thunder Bay mining division, is approximately 25 km northwest of Marathon, Ontario, and is traversed by Provincial Highway 17.

The terms of the Agreement are as follows:

(a) pay to the Vendors the sum of \$250,000 as follows:

- (i) \$50,000 on signing (initial down payment of \$5,000 made before June 30, 2009)
- (ii) \$50,000 on the first year anniversary
- (ii) \$50,000 on the first year anniversary
- (iii) \$50,000 on the second year anniversary
- (iv) \$50,000 on the third year anniversary
- (v) \$50,000 on the fourth year anniversary;

(b) issue to the Vendors the aggregate of 600,000 common shares

- (i) 300,000 of the Shares within five (5) days of the filing of the property acquisition; (issued)
- (ii) 300,000 of the Shares on the first year anniversary of the Agreement;

(c) incur exploration expenditures on the DHC Property of a total of \$1,150,000 as follows:

- (i) \$100,000 in the first year of this Agreement;
- (ii) \$150,000 in the second year of this Agreement; and
- (iii) \$300,000 in the third year of this Agreement;
- (iv) \$300,000 in the fourth year of this Agreement;
- (v) \$300,000 in the fifth year of this Agreement; and

(d) Pay to the Vendors \$24,000 annually as Pre-Production royalty payments until a 100% interest in the property is earned, deducted against NSR Proceeds.

Upon the Commencement of Commercial Production, CIN will pay to the Vendors a 3% NSR. CIN may elect to purchase 1.5% for \$1,500,000.

A finders fee worth 10% of the cash payments and share issuances over the life of the Agreement in common shares is payable to Zimtu Capital Corp. ("Zimtu"). CIN will issue 100,000 shares (issued) Zimtu to satisfy the first year of the finder's fee agreement.

### **(b) Private placements**

The Company completed a private placement consisting of 6,205,000 units at a price of \$0.05 per unit. Each unit consists of one common share and one share purchase warrant enabling the holder to purchase one additional common share at \$0.10 in the first year and \$0.15 per share in the second year. The Company issued an additional 395,500 units to finders in consideration of finding certain placees. At June 30, 2009 the Company had received \$59,000 in share subscriptions.

The Company announced a flow-through private placement consisting of 1,500,000 units at a price of \$0.10 per unit. Each unit consists of one common share and one share purchase warrant enabling the holder to purchase one additional common share at \$0.15 in the first year and \$0.20 per share in the second year.