

Financial Statements of:

COREX GOLD CORPORATION
(An Exploration Stage Company)

Six Months Ended – June 30, 2009

(Unaudited – Prepared by Management)

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NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-103, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

BALANCE SHEETS

CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

CONSOLIDATED STATEMENTS OF CASH FLOWS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying notes are an integral part of these consolidated financial statements

COREX GOLD CORPORATION
(An Exploration Stage Company)
CONSOLIDATED BALANCE SHEETS
June 30, 2009 and December 31, 2008

| | June 30 | December 31 |
|---|---------------------|--------------|
| | 2009 | 2008 |
| ASSETS | | |
| Current | | |
| Cash and cash equivalents | \$ 1,144,853 | \$ 961,287 |
| Receivables | 63,224 | 50,704 |
| Prepays - Note 7 | 21,874 | 19,775 |
| Marketable securities - Note 4 | 1,445 | 153 |
| | 1,231,396 | 1,031,919 |
| Equipment - Note 3 | 96,902 | 99,161 |
| Resource properties - Note 5 | 832,766 | 687,722 |
| | \$ 2,161,064 | \$ 1,818,802 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Current | | |
| Accounts payable and accrued liabilities | \$ 32,643 | \$ 65,401 |
| Share capital - Notes 6 and 12 | 19,928,981 | 19,333,702 |
| Contributed surplus | 1,160,754 | 968,276 |
| Accumulated other comprehensive loss | 1,293 | — |
| Deficit | (18,962,608) | (18,548,577) |
| Total shareholders' equity | 2,128,420 | 1,753,401 |
| | \$ 2,161,063 | \$ 1,818,802 |

Nature of Operations and Ability to Continue as a Going Concern – Note 1
Commitments – Notes 5 and 6

APPROVED BY THE DIRECTORS:

"Craig Schneider" Director
Craig Schneider

"Alan Hitchborn" Director
Alan Hitchborn

COREX GOLD CORPORATION

(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT

Six Months Ended June 30

(unaudited prepared by management)

| | Three Months ended June 30 2009 | Three Months ended June 30 2008 | Six Months ended June 30 2009 | Six Months ended June 30 2008 |
|--|--|---------------------------------------|--|-------------------------------------|
| ADMINISTRATIVE EXPENSES | | | | |
| Accounting and legal fees | \$ — | \$ (3,676) | \$ — | \$ 12,185 |
| Amortization | 1,467 | 3,688 | 4,404 | 7,376 |
| Bank charges and interest | 145 | 721 | 502 | 1,593 |
| Consulting fees – Note 7 | 117,835 | 51,900 | 176,709 | 107,300 |
| Filing fees | 2,518 | 2,589 | 8,239 | 8,509 |
| Investor relations, website development and marketing | 2,691 | 25,313 | 10,933 | 65,696 |
| Office and administration | 13,267 | 16,703 | 33,097 | 40,416 |
| Rent– Notes 7 | 701 | 10,100 | 4,780 | 18,103 |
| Shareholder communication | 527 | 3,681 | 1,656 | 10,501 |
| Stock based compensation | 134,724 | — | 192,478 | 125,208 |
| Telephone | 5,092 | 6,341 | 9,210 | 14,345 |
| Transfer agent fees | 1,039 | 1,132 | 1,983 | 2,261 |
| Travel | 12,698 | 12,224 | 15,669 | 19,454 |
| Vehicle | 299 | 361 | 535 | 218 |
| Wages | 13,132 | 27,516 | 24,298 | 39,895 |
| Loss before other items | (306,134) | (158,592) | (484,494) | (473,059) |
| OTHER ITEMS | | | | |
| Interest income | 672 | 80,908 | 2,942 | 98,667 |
| Property evaluation – Note 7 | (7,553) | (17,048) | (11,984) | (24,560) |
| Gain on option payments and shares received – Note 5 | 65,747 | — | 65,747 | — |
| (Loss) gain on foreign exchange translation | 20,613 | (27,391) | 13,760 | (26,884) |
| Net Loss for the period | (226,655) | (122,123) | (414,028) | (425,837) |
| Deficit, beginning of period | \$ (18,735,953) | \$ (15,411,145) | \$ (18,548,579) | \$ (15,107,431) |
| Deficit, end of period | \$ (18,962,608) | \$ (15,533,268) | \$ (18,962,608) | \$ (15,533,268) |
| Loss per common share | \$ (0.01) | \$ (0.01) | \$ (0.02) | \$ (0.02) |
| Weighted average number of common shares | \$ 24,556,970 | \$ 22,921,354 | \$ 24,556,970 | \$ 22,921,354 |

COREX GOLD CORPORATION

(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Six Months Ended June 30

(unaudited prepared by management)

| | Three Months ended June 30 2009 | Three Months ended June 30 2008 | Six Months ended June 30 2009 | Six Months ended June 30 2008 |
|--|--|---------------------------------------|--|-------------------------------------|
| Loss for the period before comprehensive loss | \$ (226,655) | \$ (122,123) | \$ (414,028) | \$ (425,837) |
| Unrealized gain on available for sale investments | 1,293 | (358) | 1,293 | 2,858 |
| Comprehensive loss for the period | \$ (225,362) | \$ (122,481) | \$ (412,735) | \$ (422,979) |

COREX GOLD CORPORATION
(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS
Six Months Ended June 30
(unaudited prepared by management)

| | Three Months ended June 30 2009 | | Three Months ended June 30 2008 | | Six Months ended June 30 2009 | | Six Months ended June 30 2008 |
|--|--|----|---------------------------------------|----|--|----|-------------------------------------|
| OPERATING ACTIVITIES | | | | | | | |
| Net loss for the period | \$ (226,655) | \$ | (122,123) | \$ | (414,028) | \$ | (425,837) |
| Items not involving cash | | | | | | | |
| Depreciation | 1,467 | | 3,688 | | 4,404 | | 7,376 |
| Stockbased compensation | 134,724 | | — | | 192,478 | | 125,208 |
| | (90,461) | | (118,435) | | (217,146) | | (293,253) |
| Changes in non-cash working capital items related to operations: | | | | | | | |
| Receivables | (2,018) | | 1,377 | | (12,520) | | (7,450) |
| Prepaid expenses | (2,289) | | (3,505) | | (2,099) | | 12,927 |
| Accounts payable and accrued liabilities | (41,982) | | (90,523) | | (32,758) | | (224,010) |
| Net cash used in operating activities | (136,753) | | (211,086) | | (264,523) | | (511,785) |
| Cash Flows From Investing Activities | | | | | | | |
| Purchase of equipment | (2,146) | | (10,050) | | (2,146) | | (13,729) |
| Proceeds from option on mineral properties | — | | 50,244 | | — | | 50,244 |
| Expenditures on mineral properties | (116,991) | | (225,080) | | (145,044) | | (703,708) |
| Net Cash used in investing activities | (119,137) | | (184,886) | | (147,190) | | (667,193) |
| Cash Flows from Financing Activities | | | | | | | |
| Proceeds from issuance of share capital, net of share issue costs | 595,279 | | — | | 595,279 | | — |
| Net Cash provided in financing activities | 595,279 | | — | | 595,279 | | — |
| Increase (decrease) in cash | 339,389 | | (395,972) | | 183,566 | | (1,178,978) |
| Cash and cash equivalents beginning of period | 805,464 | | 2,199,557 | | 961,287 | | 2,982,563 |
| Cash and cash equivalents end of period | \$ 1,144,853 | \$ | 1,803,585 | \$ | 1,144,853 | \$ | 1,803,585 |

..../cont'd

Continued

COREX GOLD CORPORATION
 (An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS
 Six Months Ended June 30
(unaudited prepared by management)

| | Three Months ended June 30 2009 | | Three Months ended June 30 2008 | | Six Months ended June 30 2009 | | Six Months ended June 30 2008 | |
|---|--|------------------|---------------------------------------|-----------|--|------------------|-------------------------------------|-----------|
| Supplemental disclosure of cash flow information: | | | | | | | | |
| Cash paid for: | | | | | | | | |
| Interest | \$ | — | \$ | — | \$ | — | \$ | — |
| Income taxes | | | | | | | | |
| Non-cash financing and investing activities: | | | | | | | | |
| Transfer of deferred development costs to equipment | \$ | — | \$ | — | \$ | — | \$ | — |
| Cash and cash equivalents represented by: | | | | | | | | |
| Cash | \$ | 1,118,403 | \$ | 1,176,612 | \$ | 1,118,403 | \$ | 1,176,612 |
| Banker's acceptance | | — | | 600,525 | | — | | 600,525 |
| Guaranteed Investment Certificates | | 26,450 | | 26,450 | | 26,450 | | 26,450 |
| | \$ | 1,144,853 | \$ | 1,803,587 | \$ | 1,144,853 | \$ | 1,803,587 |

Non-cash Transactions – Note 8

1. NATURE OF OPERATIONS AND ABILITY TO CONTINUE AS A GOING CONCERN

The Company is incorporated under the Company Act of British Columbia, is in the exploration stage and its shares are publicly traded on the TSX Venture Exchange under the symbol CGE.

The Company's resource properties are without a known body of commercial ore. The business of exploring for resources and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes, to acquire construction and operating permits and to construct mining and processing facilities. The recoverability of the amount shown for resource properties is dependent upon the ability of the Company to obtain the necessary financing to complete the exploration and development of the properties, discovery of economically recoverable reserves and future profitable production. There is no assurance that the Company will be successful in recovering the amounts shown for resource properties.

These financial statements have been prepared in accordance with accounting principles applicable to a going concern, which assumes that the Company will realize its assets and discharge its liabilities and commitments in the ordinary course of business. At June 30, 2009, the Company has recurring losses, has an accumulated deficit of \$18,962,608 and has not generated cash from operating activities since inception with the exception of the proceeds from a bulk sampling program. The Company will require additional financing in order to conduct its planned work programs on mineral properties, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in Canada. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. Actual results may differ from these estimates.

The consolidated financial statements have, in management's opinion, been properly prepared within the framework of the significant accounting policies summarized as follows:

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned U.S. subsidiary, Latitude Operating Company (incorporated in Nevada) and its wholly-owned Mexican subsidiary, Corex Global S. de R.L. de C.V. ("Corex Global"). All inter-company transactions and balances have been eliminated.

Cash and Equivalents

Cash and cash equivalents consist of all highly liquid investments that are readily convertible to cash and have maturities of three months or less when purchased.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Equipment and Amortization

Equipment is recorded at cost and is amortized over their useful lives using the straight-line method with the following annual rates:

| | |
|-------------------------|----------|
| Field equipment | 10 - 30% |
| Furniture and equipment | 20% |
| Computer equipment | 30% |
| Vehicles | 30% |

Resource Properties

The Company capitalizes the cost of acquiring, maintaining its interest, exploring and developing resource properties until such time as the properties are placed into production, abandoned, sold or considered to be impaired in value. Proceeds received on the sale of interests in resource properties are credited to the carrying value of the resource properties, with any excess included in operations. Write-downs due to impairment in value are charged to operations.

Management reviews the carrying value of resource properties on a periodic basis and will recognize impairment in value based upon current exploration results, the prospect of further work being carried out by the Company, the assessment of future probability of profitable revenues from the property or from the sale of the property. Amounts shown for properties represent costs incurred net of write-downs and recoveries, and are not intended to represent present or future values.

Impairment of Long-lived Assets

Canadian generally accepted accounting principles require that long-lived assets and intangibles to be held and used by the Company be reviewed for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If changes in circumstances indicate that the carrying amount of an asset that an entity expects to hold and use may not be recoverable, future cash flows expected to result from the use of the asset and its disposition must be estimated. If the undiscounted value of the future cash flows is less than the carrying amount of the asset, impairment is recognized and is measured as the excess of the carrying value of the asset over its fair value. Management believes there are no further impairment provision required for the Company's long-lived assets as at June 30, 2009 and December 31, 2008.

Asset Retirement Obligations

The fair value of obligations associated with the retirement of tangible long-lived assets are recorded in the period in which the liability is incurred with a corresponding increase to the carrying amount of the related asset. The obligations recognized are statutory, contractual or legal obligations. The liability is accreted over time for changes in the fair value of the liability through charges to accretion, which is included in depletion, amortization and accretion expense. The costs capitalized to the related assets are amortized in a manner consistent with the depletion and amortization of the related asset. At June 30, 2009 and December 31, 2008, the Company did not have any asset retirement obligations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Stock-based Compensation

The fair value of all share purchase options granted are expensed over their vesting period with a corresponding increase to contributed surplus. Upon exercise of share purchase options, the consideration paid by the option holder, together with the amount previously recognized in contributed surplus, is recorded as an increase to share capital.

The Company uses the Black-Scholes option valuation model to calculate the fair value of share purchase options at the date of grant. Option pricing models require the input of highly subjective assumptions, including the expected price volatility. Changes in these assumptions can materially affect the fair value estimate.

Foreign Currency Translation

The accounts of the non-Canadian subsidiaries, which are considered to be dependent on the Company, and transactions of the Company denominated in foreign currencies, are translated to Canadian dollars using the temporal method. Under this method, monetary assets and liabilities are translated at the current rate of exchange and other assets and liabilities are translated at historical rates of exchange. Revenues and expenses are translated at average rates of exchange for the period, except for depreciation and amortization, which are translated at rates in effect when the related assets were acquired. All exchange gains and losses are recognized in the consolidated statements of loss and deficit.

Loss Per Share

Basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the year. Diluted earnings per share reflect the potential dilution that could occur if potentially dilutive securities were exercised or converted to common stock. In a loss year, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive. Basic and diluted loss per share are the same for the years presented.

For the period ended June 30, 2009 potentially dilutive common shares (relating to options and warrants outstanding at period-end) totalling 2,610,000 (2008: 5,329,609) were not included in the computation of loss per share because their effect was anti-dilutive.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas required the use of management estimates relate to assumptions used in determining the fair value of non-cash stock-based compensation, the determination of impairment in mineral properties and valuation allowance relating to future tax assets. Actual results could differ from those estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments:

All financial instruments are classified into one of five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets, or other financial liabilities. All financial instruments and derivatives are measured on the trade date at fair value upon initial recognition. Subsequent measurement depends on the initial classification of the instrument. Held-for-trading financial assets are measured at fair value, with changes in fair value recorded in net income. Available-for-sale financial assets are measured at fair value, with changes in fair value recorded in other comprehensive income until the instrument is derecognized or impaired. Loans and receivables, held-to-maturity investments and other financial liabilities are measured at amortized cost. All derivative instruments, including embedded derivatives, are recorded in the balance sheet at fair value unless they qualify for the normal sales and purchases exemption. Changes in the fair value of derivatives that are not exempt are recorded in the statement of operations. Transaction costs on the acquisition of financial assets and liabilities that are classified as other than held-for-trading are expensed in the period in which they occur.

The Company has made the following designations of its financial instruments: cash and cash equivalents as held-for-trading; marketable securities as available-for-sale; receivables as loans and receivables; and accounts payable and accrued liabilities as other financial liabilities.

Comprehensive Income

Comprehensive income is composed of the Company's earnings and other comprehensive income. Other comprehensive income includes unrealized gains and losses on available-for-sale securities, all net of income taxes. Cumulative changes in other comprehensive loss will be included in accumulated other comprehensive loss which is presented as a category in shareholders' equity.

Comparative Figures

Certain financial statement line items from the prior period have been reclassified to conform with current year's presentation

Recently Adopted Accounting Pronouncements

On January 1, 2008, the Company adopted four accounting standards: Handbook Section 1535, Capital Disclosures, Handbook Section 3862, Financial Instruments – Disclosures, and Handbook Section 3863, Financial Instruments – Presentation, General Standards of Financial Statement Presentation, Handbook Section 1400. The requirements of these new standards are for disclosure purposes only and have not impacted the financial results of the Company.

i) Capital Disclosures

Section 1535 specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. This disclosure is summarized in Note 10.

(unaudited prepared by management)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Adopted Accounting Pronouncements (cont'd)

ii) Financial Instruments

The new Sections 3862 and 3863 replaced Handbook Section 3861, Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. This disclosure is summarized in Note 9.

iii) General Standards of Financial Statement Presentation

Effective January 1, 2008, the Company adopted Handbook Section 1400, “General standards of Financial Statement Presentation”. This section provides guidance related to management’s assessment of the Company’s ability to continue as a going concern (Note 1). The additional requirement requires management to make an assessment of the Company’s ability to continue as a going concern and to disclose any material uncertainties related to events or conditions that may cast significant doubt upon the entity’s ability to continue as a going concern.

Future Accounting Changes

i) Financial Statement Concepts

CICA Handbook Section 1000 has been amended to focus on the capitalization of costs that meet the definition of an asset and de-emphasizes the matching principle. The revised requirements are effective for annual and interim financial statements relating to fiscal years beginning on or after October 1, 2008. The Company is currently evaluating the impact of the adoption of this change on its financial statements.

ii) Goodwill and Intangible Assets

CICA Handbook Section 3064 replaces Section 3062, Goodwill and Other Intangible Assets, and Section 3450, Research and Development Costs. This new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. Standards concerning goodwill remain unchanged from the standards included in the previous Section 3062. The section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008. Accordingly, the Company will adopt the new standards for its fiscal year beginning January 1, 2009. The Company is currently evaluating the impact of the adoption of this new Section on its financial statements.

iii) 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 January 1, 2010 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

COREX GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(An Exploration Stage Company)
June 30, 2009
(unaudited prepared by management)

3. EQUIPMENT

| | June 30, 2009 | | |
|-------------------------|-------------------|-----------------------------|-------------------|
| | Cost | Accumulated Amortization | Net Book Value |
| Field equipment | \$ 136,433 | \$ 41,505 | \$ 94,928 |
| Furniture and equipment | 11,021 | 11,021 | — |
| Computer equipment | 20,581 | 18,607 | 1,974 |
| Vehicles | 26,221 | 26,221 | — |
| Total | \$ 194,256 | \$ 98,884 | \$ 96,902 |

| | December 31, 2008 | | |
|-------------------------|-------------------|-----------------------------|-------------------|
| | Cost | Accumulated Amortization | Net Book Value |
| Field equipment | \$ 136,433 | \$ 41,505 | \$ 94,928 |
| Furniture and equipment | 11,021 | 10,485 | 536 |
| Computer equipment | 18,422 | 15,763 | 2,659 |
| Vehicles | 26,221 | 25,183 | 1,038 |
| Total | \$ 192,097 | \$ 92,936 | \$ 99,161 |

4. MARKETABLE SECURITIES

| | June 30, 2009 | | | December 31, 2008 | | |
|---|---------------|--------|------------|-------------------|--------|------------|
| | No. of Shares | Cost | Fair Value | No. of Shares | Cost | Fair Value |
| Hemis Gold Corporation | | \$ | \$ | | \$ | \$ |
| - Shares available for sale | 25,000 | 12,496 | 290 | 25,000 | 12,496 | 31 |
| - Restricted shares available for sale ⁽¹⁾ | 100,000 | 30,000 | 1,155 | 100,000 | 30,000 | 122 |
| Total | 125,000 | 42,496 | 1,445 | 125,000 | 42,496 | 153 |

During the period ended December 31, 2008, \$42,343 was recorded as realized loss on available for sale investments.

⁽¹⁾ See Note 5 Resource Properties

COREX GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(An Exploration Stage Company)
June 30, 2009
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5. RESOURCE PROPERTIES

| For the period June 30, 2009 | Santana Property Mexico | Total |
|---|--|----------------|
| Acquisition costs, beginning of period | \$ 47,580 | 47,580 |
| Cash payments | 42,138 | 42,138 |
| Acquisition costs, end of period | 89,718 | 89,718 |
| Deferred exploration costs, beginning of period | 640,142 | 640,142 |
| Drilling | 0 | 0 |
| Field supplies and equipment | 7,351 | 7,351 |
| Geological consulting – Note 7 | 35,114 | 35,114 |
| Geological surveys | 5,714 | 5,714 |
| Legal | 1,500 | 1,500 |
| Taxes and recording fees | 19,980 | 19,980 |
| Mapping | 2,100 | 2,100 |
| Sampling | 9,261 | 9,261 |
| Site visits and vehicle costs | 21,887 | 21,887 |
| Trenching and roadwork | 0 | 0 |
| Deferred exploration costs, end of period | 743,048 | 743,048 |
| Total costs, June 30, 2009 | \$ 832,766 | 832,766 |

| Period ended December 31, 2008 | Caliche Property Mexico | Cumeral Property Mexico | Santana Property Mexico | Total |
|---|--|--|--|-------------------|
| Acquisition costs, beginning of year | \$ 78,810 | \$ — | \$ — | \$ 78,810 |
| Cash payments | 51,884 | 15,227 | 47,580 | 114,691 |
| Acquisition costs, end of year | 130,694 | 15,227 | 47,580 | 193,501 |
| Deferred exploration costs, beginning of year | 2,009,262 | — | 945 | 2,010,207 |
| Drilling | 78,734 | — | 99,260 | 177,994 |
| Field supplies and equipment | 21,043 | 18,296 | 74,387 | 113,726 |
| Geological consulting | 61,260 | 7,662 | 49,902 | 118,824 |
| Geological surveys | 62,013 | 61,111 | 229,838 | 352,962 |
| Legal | 1,201 | 3,330 | 3,033 | 7,564 |
| Taxes and recording fees | 53,298 | 29,423 | 97,147 | 179,868 |
| Mapping | 3,481 | 255 | 3,021 | 6,757 |
| Sampling | 72,911 | 9,780 | 48,230 | 130,921 |
| Site visits and vehicle costs | 24,321 | 24,214 | 34,379 | 82,914 |
| Trenching and roadwork | 17,317 | 313 | — | 17,630 |
| Deferred exploration costs, end of year | 2,404,841 | 154,384 | 640,142 | 3,199,367 |
| Write-off of resource properties | (2,535,535) | (169,611) | — | (2,705,146) |
| Total costs, December 31, 2008 | \$ — | \$ — | \$ 687,722 | \$ 687,722 |

5. RESOURCE PROPERTIES (cont'd)

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, titles to all of its properties are in good standing.

MEXICO

Santana Property

On December 11, 2007 the Company signed two property option agreements under which it collectively holds rights to acquire a 100% interest in two contiguous mining concessions. In addition to the concessions under option Corex has staked two additional contiguous concessions and all four are collectively known as the "Santana Property". The Santana Property covers approximately 7,000 hectares and is located approximately 200 kilometers east-southeast of Hermosillo, Sonora, Mexico. Terms of the above stated option agreements are as follows:

A) Santa Lucia – Option to Purchase Agreement

| <u>Amount</u> | <u>Due date</u> | |
|---------------------|-------------------|----------------|
| US\$ 3,000 | December 11, 2007 | (Paid in 2008) |
| 5,000 | June 11, 2008 | (Paid) |
| 5,000 | December 11, 2008 | (Paid) |
| 10,000 | June 11, 2009 | (Paid) |
| 10,000 | December 11, 2009 | |
| 15,000 | June 11, 2010 | |
| <u>202,000</u> | December 11, 2010 | |
| <u>US\$ 250,000</u> | | |

B) Hilda 35 Fraccion 1 - Option to Purchase Agreement

| <u>Amount</u> | <u>Due date</u> | |
|-----------------------|-------------------|----------------|
| US\$ 6,000 | December 11, 2007 | (Paid in 2008) |
| 10,000 | June 11, 2008 | (Paid) |
| 15,000 | December 11, 2008 | (Paid) |
| 20,000 | June 11, 2009 | (Paid) |
| 30,000 | December 11, 2009 | |
| 50,000 | June 11, 2010 | |
| 75,000 | December 11, 2010 | |
| 75,000 | June 11, 2011 | |
| <u>719,000</u> | December 11, 2011 | |
| <u>US\$ 1,000,000</u> | | |

The Hilda 35 Fraccion 1 is also subject to a 2% net smelter return (NSR). Each 1% NSR can be purchased for US\$1,000,000 within the three years following the conclusion of the feasibility study with positive results.

COREX GOLD CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(An Exploration Stage Company)
June 30, 2009
(unaudited prepared by management)

5. RESOURCE PROPERTIES (cont'd)

MEXICO (cont'd)

Caliche Properties

The Company entered into a Memorandum of Understanding dated December 15, 2006, wherein it was granted an exclusive due diligence period of 45 days to review certain data and information pertaining to an area located in the Sonora State of Mexico, known as the Caliche Property which consists of thirteen contiguous mining concessions of approximately 1,500 hectares. The Company paid the vendor \$11,664 (US\$10,000) in consideration of the exclusive review period.

On February 7, 2007, the Company entered into two property option agreements to acquire a 100% interest in the Caliche Property. The interest is earned by paying the optionors, collectively, US\$1,740,000 over three years as follows:

| <u>Amount</u> | <u>Due date</u> | |
|-----------------------|------------------|--------|
| US\$ 30,000 | February 7, 2007 | (Paid) |
| 30,000 | August 7, 2007 | (Paid) |
| 50,000 | February 7, 2008 | (Paid) |
| 50,000 | August 7, 2008 | |
| 100,000 | February 7, 2009 | |
| 100,000 | August 7, 2009 | |
| 1,380,000 | | |
| <u>US\$ 1,740,000</u> | | |

As at August 7, 2008 the Company elected not to proceed under the terms of the Agreement and did not make any further payments. As at December 31, 2008, acquisition and deferred exploration costs of \$2,535,535 were written off.

Cumeral Property

Corex had staked a mining concession of approximately 13,290 hectares, located in the municipality of Imuris, about 200 kilometers north of Hermosillo, Sonora, Mexico. In addition to the staked claims the Company entered into the following agreements which all collectively together are referred to as the "Cumeral Property":

In April 2008, the Company signed a property option agreement under which Corex held the rights to acquire a 100% interest in the Lluvia de Oro mining concession comprised of 660 hectares located in the municipality of Imuris, located approximately 200 kilometers north of Hermosillo, Sonora, Mexico. Terms of the option agreements are as follows:

Terms of the option agreements are as follows:

| <u>Amount</u> | <u>Due date</u> | |
|---------------------|-----------------|--------|
| US\$ 15,000 | April 4, 2008 | (Paid) |
| 18,000 | October 4, 2008 | |
| 25,000 | April 4, 2009 | |
| 40,000 | October 4, 2009 | |
| 60,000 | April 4, 2010 | |
| 100,000 | October 4, 2010 | |
| 492,000 | April 4, 2011 | |
| <u>US\$ 750,000</u> | | |

5. RESOURCE PROPERTIES (cont'd)

MEXICO (cont'd)

Caliche Properties (cont'd)

As per the terms of the option to purchase agreement, Lluvia de Oro is subject to a 1% net smelter return. The 1% NSR could be purchased for \$1,000,000. During October, 2008 the Company elected not to proceed under the terms of the Agreement and accordingly the acquisition and deferred exploration costs of \$169,611 have been written off as at December 31, 2008.

Zuloaga/Santa Rita Properties

As at June 30, 2009, the Company had staked and has a 100% interest in 16,986 hectares in Zacatecas, Mexico that comprises the Zuloaga property and had staked and has a 100% interest in 22,982 hectares in Zacatecas, Mexico that comprises the Santa Rita property.

In June 2006, the Company entered into an option agreement with Hemis Corporation ("Hemis") whereby Hemis could earn a 49% interest in the Santa Rita property by spending US\$950,000 in exploration expenditures over a three year term and by issuing the Company 200,000 common shares of Hemis (25,000 shares received as at December 31, 2006). Hemis became a publicly listed entity subsequent to December 31, 2006 and accordingly the market value of the shares when received was not determinable. Effective January 1, 2007 the shares were recorded at their fair value of \$12,496 upon adoption of the current financial instruments policy.

On January 25, 2007, the Company entered into an earn-in agreement with Goldcorp Inc.'s Mexican subsidiary, Glamis Exploration S.A. de C.V ("Goldcorp") (the "Earn-In Agreement"). Under the terms of this Earn-In Agreement, Goldcorp has the right to earn up to an 80% interest in the Zuloaga and Santa Rita properties (the "Zuloaga/Santa Rita Property"). The Earn-In Agreement provides for Goldcorp to earn a 70% interest in the Zuloaga/Santa Rita Property by spending US\$4,000,000 over a 5-year period and paying the Company US\$150,000 over an 18 month (US\$50,000 received on signing). During the year ended December 31, 2008 and June 30, 2009, the two US\$50,000 payments received were recognized as other income. Goldcorp has the option to increase its interest from 70% to 80% upon paying 100% of the expenditures associated with placing the Zuloaga/Santa Rita Property or any part thereof, into commercial production based on a mine development project approved for all or part of the Zuloaga/Santa Rita Property, with 20% to be repayable to Goldcorp from the Company's related project cash-flows, or arranging the proportionate share of a debt financing.

In connection with the above-noted earn-in agreement, the option agreement with Hemis was replaced on January 29, 2007 such that Hemis may earn a 49% interest in whatever interest the Company holds in the Santa Rita property by paying the Company US\$1,000,000 over two years with US\$200,000 due on signing (received) and issuing the Company 175,000 common shares over an eighteen month period. On June 4, 2007, the Company received 25,000 shares valued at \$21,750, the fair market value of the shares at that date.

On September 20, 2007 the Company issued a notice of default wherein Hemis had not made a scheduled US\$200,000 payment or issued the 75,000 additional common shares due on or before July 31, 2007. The Company allowed an extension to October 31, 2007 based on the 75,000 common shares, with a fair market value of the shares on that date of \$8,250, being issued to the Company on or before October 12, 2007 (received) and the cash payment due on or before October 31, 2007. The cash payment was not received and as such the option agreement with Hemis was terminated effective October 31, 2007. As at June 30, 2009, 100,000 of the shares received are restricted from resale (see - Note 4).

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6. SHARE CAPITAL AND CONTRIBUTED SURPLUS

Authorized: Unlimited common shares at no par value

| Issued: | Number | Amount | Contributed Surplus |
|---------------------------------|------------|---------------|---------------------|
| Balance, December 31, 2007 | 22,921,354 | \$ 19,333,702 | \$ 843,068 |
| Stock based compensation | — | — | 125,208 |
| Balance, December 31, 2008 | 22,921,354 | 19,333,702 | 968,276 |
| – pursuant to private placement | 3,000,000 | 600,000 | — |
| Share issue costs | — | (4,721) | — |
| Stock based compensation | — | — | 192,478 |
| Balance, June 30, 2009 | 25,921,354 | \$ 19,938,981 | \$ 1,160,754 |

On June 12, 2009 the Company completed a non-brokered private placement of 3,000,000 Units, at \$0.20 per for total gross proceeds of \$600,000. Each unit will consist of one common share and one share purchase warrant, exercisable by the holder to acquire one additional common share at a price of \$0.32 in year one and \$0.45 in year two. The warrants are subject to an accelerated expiry which comes into effect once the shares trade above a weighted average price of \$0.50 for any twenty consecutive trading-day period in year one, or \$0.65 for any twenty consecutive trading-day period in year two, subsequent to four months from Closing. In the event of an accelerated expiry, the expiry date will be the earlier of the regular two year expiry date and 30 days from the date the Company advises the placees of the accelerated expiry.

Escrowed Shares:

As at June 30, 2009 and December 31, 2008, 5,625 shares are held in escrow, subject to release by regulatory approval.

Commitments:

a) Stock-based Compensation Plan:

The Company has a stock option plan (the “Plan”) for officers, directors, employees and consultants whereby a maximum of 10% of the issued shares will be reserved for issuance under the Plan. Options are granted with an exercise price determined by the Board of Directors, which may not be less than the market price of the Company’s stock on the date of the grant. The vesting provisions are determined by the Board of Directors and are defined in each stock option agreement.

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6. SHARE CAPITAL AND CONTRIBUTED SURPLUS (cont'd)

Commitments: (cont'd)

a) Stock-based Compensation Plan: (cont'd)

| | Number | Weighted Average Exercise Price | Weighted Average Life |
|----------------------------|-----------|--|-----------------------------|
| Balance, December 31, 2007 | 1,695,409 | \$0.55 | 2.03 years |
| Granted | 465,000 | \$0.40 | |
| Expired | (662,998) | \$0.25 | |
| Forfeited | (437,411) | \$0.52 | |
| Balance, December 31, 2008 | 1,060,000 | \$0.69 | 3.00 years |
| Granted | 1,000,000 | \$0.11 | |
| Granted | 250,000 | \$0.25 | |
| Granted | 300,000 | \$0.35 | |
| Balance, June 30, 2009 | 2,610,000 | \$0.19 | 3.34 years |

At June 30, 2009, 2,610,000 stock options were outstanding and exercisable under the Plan as follows:

| <u>Number</u> | <u>Exercise price</u> | <u>Expiry Date</u> |
|------------------------|-----------------------|--------------------|
| 360,000 ⁽¹⁾ | \$0.20 | October 3, 2010 |
| 335,000 ⁽¹⁾ | \$0.20 | February 14, 2012 |
| 365,000 ⁽¹⁾ | \$0.20 | February 5, 2013 |
| 1,000,000 | \$0.11 | February 2, 2014 |
| 250,000 | \$0.25 | May 27, 2014 |
| 300,000 | \$0.35 | June 18, 2014 |
| <u>2,160,000</u> | | |

(1) On February 2, 2009, the Company re-priced 1,060,000 stock options with an exercise price between \$0.40 - \$1.04 per share to an exercise price of \$0.20 per share. On August 7, 2009 the Company received shareholder approval on the repricing.

During the period ended June 30, 2009, a compensation charge associated with the granting of stock options under the Plan in the amount of \$192,478 (2009 - \$125,208) was recognized in the financial statements. For purposes of these calculations, the following assumptions were used for the Black-Scholes model:

| | June 30, 2009 | June 30, 2008 |
|---------------------------------|------------------|---------------|
| Risk-free interest rate | 2.2% - 2.65 | 3.34% |
| Expected dividend yield | 0% | 0% |
| Expected stock price volatility | 107.43 – 115.04% | 95.71% |
| Expected option life | 5 years | 5 years |

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6. SHARE CAPITAL AND CONTRIBUTED SURPLUS (cont'd)

Commitments: (cont'd)

a) Stock-based Compensation Plan: (cont'd)

In addition to the grant of options, the Company re-priced 1,060,000 options with exercise prices of \$0.40 - \$1.04 per share to an exercise price of \$0.20 per share. The incremental fair value of stock-based compensation adjustment in the amount of \$29,626 (2008 – Nil) has been recorded as a credit with the offsetting entry to contributed surplus. This incremental value was measured by the difference between the fair value of the modified stock options and the value of the old options immediately before its terms were modified. This value is estimated at the date of grant using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

| | June 30, 2009 | June 30, 2008 |
|---------------------------------|-------------------|---------------|
| Risk-free interest rate | 2.2% | — |
| Expected dividend yield | 0% | — |
| Expected stock price volatility | 102.47 – 124.62% | — |
| Expected option life | 1.67 – 4.01 years | — |

b) Share Purchase Warrants:

At June 30, 2009, 3,000,000 share purchase warrants were outstanding. Each warrant entitles the holders thereof the right to purchase one common share as follows:

| <u>Number</u> | <u>Price Per Share</u> | <u>Expiry Date</u> |
|---------------|------------------------|--------------------|
| 3,000,000 | \$0.32/\$0.45 | June 12, 2011 |

A summary of the changes in the Company's share purchase warrants outstanding for the period ended June 30, 2009 are as follows:

| | Number | Weighted Average Exercise Price | Weighted Average Life |
|----------------------------|-------------|--|-----------------------------|
| Balance, December 31, 2008 | 3,169,200 | \$1.21 | 0.43 years |
| Expired | (3,169,200) | \$1.21 | |
| Granted | 3,000,000 | \$0.32 | 2 years |
| Balance, June 30, 2009 | 3,000,000 | \$0.32 | 2 years |

On June 9, 2009 389,000 share purchase warrants at a price of \$0.94 and 2,780,000 share purchase warrants at a price of \$1.25 expired without exercise.

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7. RELATED PARTY TRANSACTIONS

The Company incurred the following amounts charged by (to) directors/officers of the Company and companies controlled by directors/officers of the Company for the period ended:

| | June 30 2009 | June 30 2008 |
|----------------------------|------------------|-------------------|
| Deferred exploration costs | | |
| Geological consulting fees | \$ 9,150 | \$ 57,600 |
| Consulting fees | 76,584 | 62,300 |
| Rent (recovery) | (37,384) | (9,600) |
| | <u>\$ 50,350</u> | <u>\$ 110,300</u> |

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

At June 30, 2009, prepaids include \$8,925 (December 31, 2008 - \$11,550) of consulting fees paid to a director of the Company.

8. NON-CASH TRANSACTIONS

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the consolidated statements of cash flows. During the six month period ended June 30, 2009, and June 30, 2008 the Company did not enter into any non cash transactions.

9. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, receivables, marketable securities and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents and receivables are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at June 30, 2009 the Company is not exposed to any significant credit risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Included in the loss for the period in the financial statements is interest income on Canadian dollar cash. As at June 30, 2009, the Company's cash is subject to or exposed to interest rate risk, however, this risk is not significant.

9. FINANCIAL INSTRUMENTS (cont'd)

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balance to enable settlement of transactions on the due date. Accounts payable and accrued liabilities are current. The Company addresses its liquidity through equity financing obtained through the sale of common shares and the exercise of warrants and options.

Currency risk

Cash held in foreign currencies other than the Canadian dollar is subject to currency risk. The Company is exposed to currency risk by incurring certain expenditures in currencies other than the Canadian dollar. The Company does not use derivative instruments to reduce its currency risk.

At June, 2009, approximately 15% (December 31, 2008 – 6%) of the Company's accounts payable and accrued liabilities are denominated in Mexican Pesos. The Company does not use derivative instruments or foreign exchange contracts to hedge against gains or losses arising from foreign exchange fluctuations.

10. CAPITAL DISCLOSURE

The Company manages and adjusts its capital structure based on available funds in order to support its operations and the acquisition and exploration of mineral properties. The Company's primary objectives in managing capital are to:

- Safeguard the entity's ability to continue as a going concern
- Maintain an optimal capital base in order to support the capital requirements of its operations, including growth opportunities and maintaining investor confidence.

The capital of the Company consists of shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company is not subject to any externally imposed capital requirements. The Company relies on capital markets to support continued growth.

11. SEGMENTED INFORMATION

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operation decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. All of the Company's operations are within the mining sector relating to gold exploration. Due to the geographic and political diversity, the Company's exploration operations are decentralized whereby exploration manager is responsible for business results and regional corporate office provides support to the exploration programs in addressing local and regional issues. The Company's operations are therefore segmented on a district basis. The Company's assets are located in Canada and Mexico.

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11. SEGMENTED INFORMATION (cont'd)

Details of identifiable assets by geographic segments are as follows:

| | June 30 2009 | December 31 2008 |
|--------------|-------------------------|-----------------------------|
| Total Assets | | |
| Canada | \$1,145,036 | \$ 841,023 |
| Mexico | 1,016,028 | 977,779 |
| | <u>\$ 2,161,064</u> | <u>\$ 1,818,802</u> |

| | June 30 2009 | December 31 2008 |
|----------------------|-------------------------|-----------------------------|
| Property & Equipment | | |
| Canada | \$ 1,975 | \$ 4,233 |
| Mexico | 94,927 | 94,928 |
| | <u>\$96,902</u> | <u>\$ 126,284</u> |

12. SUBSEQUENT EVENTS

On July 22, 2009 Corex and Virgin Metals Inc. ("Virgin") signed an option agreement under which Corex's Mexican subsidiary was granted an option to acquire from Virgin's Mexican subsidiary a 100% interest in 3 concessions (the "Hilda Concessions") covering 722 ha. that are contiguous to the northern boundary of Corex's Santana property. To acquire the Hilda Concessions Corex must pay Virgin a total of \$340,000, issue Virgin 500,000 common shares and incur \$450,000 in exploration expenditures on the Hilda Concessions over a three year period.

Under the option agreement, Corex paid Virgin \$25,000 upon execution (paid) and must issue Virgin 50,000 shares upon TSX Venture Exchange acceptance of the agreement (issued on July 30, 2009) In order to exercise the option, Corex must make the payments and incur the exploration expenditures as follows:

| | |
|------------------|---|
| By July 22, 2010 | pay \$35,000, issue 100,000 shares, incur \$100,000 in expenditures |
| By July 22, 2011 | pay \$50,000, issue 150,000 shares, incur \$150,000 in expenditures |
| By July 22, 2012 | pay \$230,000, issue 200,000 shares, incur \$200,000 in expenditures |
| (Cumulative) | pay \$315,000, issue 450,000 shares, incur \$450,000 in expenditures) |

Upon exercise of the option Virgin will retain a 2% NSR royalty on the Hilda Concessions, which can be acquired by Corex at any time for US\$1,500,000. Under the option agreement Virgin has rights to back-in and acquire any mineralized zones on the Hilda Fracc 2 concession that contain copper and molybdenum mineralization assaying not less than 0.05% Mo, provided the zone does not also contain gold mineralization assaying greater than 0.2 g/t Au, by paying Corex 3 times Corex's exploration expenditures on the ground acquired by Virgin.