VELOCITY MINERALS LTD.

CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)

NINE MONTH PERIOD ENDED
MARCH 31, 2009

UNAUDITED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited consolidation financial statements for the period ended March 31, 2009.

VELOCITY MINERALS LTD.
CONSOLIDATED BALANCE SHEETS
(Unaudited – Prepared by Management)

	March 31, 2009	June 30, 2008 (Audited)
ASSETS		
Current		
Cash	$ 3,649,777	$ 5,955,896
Accounts receivable	65,907	45,622
Prepaid expenses	-	2,000
	3,715,684	6,003,518
Equipment (Note 5)	10,524	2,678
Reclamation bonds (Note 6)	32,000	7,000
Mineral properties and deferred exploration costs (Note 7)	1,552,140	134,459
	$ 5,310,348	$ 6,147,655
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 19,837	$ 243,849
Shareholders' equity		
Capital stock (Note 8)	6,057,130	6,032,670
Contributed surplus (Note 8)	952,683	952,683
Deficit	(1,719,302)	(1,081,547)
	5,290,511	5,903,806
	$ 5,310,348	$ 6,147,655

Nature and continuance of operations (Note 1)

On behalf of the Board:

"Kenneth Holmes" Director *"D. Barry Lee"* Director

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

VELOCITY MINERALS LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
(Unaudited – Prepared by Management)

	Three month period ended March 31, 2009	Nine month period ended March 31, 2009	Period from incorporation on December 28, 2007 to June 30, 2008
			(Audited)
EXPENSES			
Bank charges and interest	$ 216	$ 1,287	$ 336
Consulting	2,100	11,614	23,420
Depreciation	272	674	-
Filing and transfer agent fees	14,692	32,380	58,336
Insurance	1,000	10,969	-
Interest expense	4,992	4,992	-
Investor relations and promotion	41,714	216,096	21,071
Management fees	75,000	219,667	62,600
Office and administration	5,506	21,794	8,596
Office rent	14,966	32,466	8,000
Professional fees	16,237	67,677	14,870
Property investigation	112	1,112	-
Shareholder costs	491	491	3,542
Stock-based compensation	-	-	859,355
Telephone	4,941	9,058	1,365
Travel and related	11,242	26,702	25,717
Website	240	1,652	3,930
Loss before other item	(193,721)	(658,631)	(1,091,138)
OTHER ITEM			
Interest income	4,228	20,876	9,591
Net loss for the period	(189,493)	(637,755)	(1,081,547)
Deficit, beginning of period	(1,529,809)	(1,081,547)	-
Loss for the period, being deficit end of period	$ (1,719,302)	$ (1,719,302)	$ (1,081,547)
Basic and diluted loss per share	$ (0.01)	$ (0.02)	$ (0.14)
Weighted average number of common shares outstanding	29,082,833	29,082,833	7,896,692

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

VELOCITY MINERALS LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)

	Three month period ended March 31, 2009	Nine month period ended March 31, 2009	Period from incorporation on December 28, 2007 to June 30, 2008
			(Audited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the period	$ (189,493)	$ (637,755)	$ (1,081,547)
Items not affecting cash:			
Depreciation	272	674	-
Stock-based compensation	-	-	859,355
Changes in non-cash working capital items:			
Increase in accounts receivable	77,521	(20,285)	(27,742)
Decrease in prepaid expenses	2,000	2,000	13,000
Increase (decrease) in accounts payable and accrued liabilities	(12,467)	(213,812)	219,845
Net cash used in operating activities	(122,167)	(869,178)	(17,089)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of capital stock	-	-	6,699,750
Share issue costs (paid) refunded	-	24,460	(618,335)
Net cash provided by financing activities	-	24,460	6,081,415
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of equipment	(8,520)	(8,520)	(2,678)
Acquisition of reclamation bond	-	(25,000)	(7,000)
Mineral property expenditures	(126,493)	(1,427,881)	(104,259)
Cash acquired on acquisition of Velocity Exploration Ltd.	-	-	5,507
Net cash used in investing activities	(135,013)	(1,461,401)	(108,430)
Change in cash for the period	(257,180)	(2,306,119)	5,955,896
Cash, beginning of period	3,906,957	5,955,896	-
Cash, end of period	$ 3,649,777	$ 3,649,777	$ 5,955,896
Cash paid for interest	$ -	$ -	$ -
Cash paid for income taxes	$ -	$ -	$ -

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Velocity Minerals Ltd. (formerly Benem Ventures Inc.) (the "Company") was incorporated under the laws of the province of Alberta on September 22, 2000 and was continued into British Columbia on December 2, 2004. The Company was classified as a Capital Pool Company as defined in the TSX Venture Exchange ("TSXV") Policy 2.4.

The Company completed its Qualifying Transaction by acquiring all of the issued and outstanding common shares of Velocity Exploration Ltd. ("VEL") in exchange for 12,000,000 common shares. The Company delisted its common shares from the NEX Board of the TSXV effective as of the close of the market on May 16, 2008 and listed its common shares on the Toronto Stock Exchange ("TSX") effective May 20, 2008.

Legally, the Company is the parent of VEL. However, as a result of the share exchange described above, control of the combined companies passed to the former shareholders of VEL. This type of share exchange, referred to as a "reverse takeover", deems VEL to be the acquirer for accounting purposes. Accordingly the net assets of VEL are included in the balance sheet at book values and the deemed acquisition of the Company is accounted for by the purchase method with the net assets of the Company recorded at fair market value at the date of acquisition. The expenses, assets and liabilities subsequent to the date of acquisition include the accounts of the Company. As VEL was incorporated on December 28, 2007, there are no comparative figures shown.

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

These interim consolidated financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles. All financial summaries included are presented on a comparative and consistent basis. The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of annual financial statements. Certain information and footnote disclosure normally included in annual financial statements prepared in accordance with Canadian generally accepted accounting principles has been condensed or omitted. These interim period consolidated statements should be read together with the Company's audited consolidated financial statements and the accompanying notes for the year ended June 30, 2008. In the opinion of the Company, its unaudited interim consolidated financial statements contain all adjustments necessary in order to present a fair statement of the results of the interim periods presented.

	March 31, 2009	June 30, 2008
Working capital	$ 3,695,847	$ 5,759,669
Deficit	(1,719,302)	(1,081,547)

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Effective December 28, 2007, the Company adopted the following accounting policies.

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Velocity Exploration Ltd. incorporated in the province of British Columbia on December 28, 2007. All inter-company balances and transactions have been eliminated upon consolidation.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Use of estimates

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

Cash and cash equivalents

Cash is comprised of cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is recorded on a declining balance basis at the following annual rates:

Computer equipment	30%	Office furniture and fixtures	20%

Mineral properties and deferred exploration costs

All costs related to the acquisition, exploration and development of mineral properties are capitalized by property. If economically recoverable mineral reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. When a property is abandoned, all related costs are written off to operations. If, after management review, it is determined that the carrying amount of a mineral property is impaired, that property is written down to its estimated net realizable value. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The amounts shown for mineral properties and deferred exploration costs do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Asset retirement obligations

An asset retirement obligation is a legal obligation associated with the retirement of tangible long-lived assets that the Company is required to settle. The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability.

The Company does not have any significant asset retirement obligations.

Impairment of long-lived assets

A long-lived asset is tested for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of a long-lived asset exceeds its fair value. For purposes of recognition and measurement of an impairment loss, a long-lived asset is grouped with other assets and liabilities to form an asset group at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. Estimates of future cash flows used to test recoverability of a long-lived asset include only the future cash flows that are directly associated with, and that are expected to arise as a direct result of, its use and eventual disposition.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Stock-based compensation

The fair value of stock options granted is determined using the Black-Scholes option pricing model and recorded as stock-based compensation expense over the vesting period of the stock options.

Loss per share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on loss per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period.

Basic loss per share is calculated using the weighted-average number of shares outstanding during the year and does not include outstanding options and warrants. Diluted loss per share is not presented separately from loss per share as the conversion of outstanding stock options and warrants into common shares would be anti-dilutive.

Financial instruments

The Company adopted the new recommendations of the Canadian Institute of Chartered Accountants ("CICA") under CICA Handbook Section 1530 "Comprehensive Income" ("Section 1530"), Section 3251 "Equity", Section 3855 "Financial Instruments – Recognition and Measurement" ("Section 3855"), Section 3861 "Financial Instruments – Disclosure and Presentation" and Section 3865 "Hedges". These new sections, which apply to fiscal years beginning on or after October 1, 2006, provide requirements for the recognition and measurement of financial instruments and on the use of hedge accounting. Section 1530 establishes standards for reporting and presenting comprehensive income which is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income but that are excluded from net income calculated in accordance with Canadian generally accepted accounting principles.

Under Section 3855, 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 in the balance sheet at fair value except for loans and receivables, held-to maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification as follows: (1) held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net income; (2) available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the instrument is derecognized or impaired; and (3) all derivative instruments, including embedded derivatives, are recorded in the balance sheet at fair value unless they qualify for the normal sale normal purchase exemption and changes in their fair value are recorded in income unless cash flow hedge accounting is used, in which case changes in fair value are recorded in other comprehensive income.

As a result of the adoption of these new standards, the Company has classified its cash as held-for-trading. Accounts receivables are classified as loans and receivables. Accounts payable and accrued liabilities are classified as other financial liabilities, all of which are measured at amortized cost. The Company has elected to measure all derivatives and embedded derivatives at fair value and the Company has maintained its policy not to use hedge accounting.

Section 3855 also provides guidance on accounting for transaction costs incurred upon the issuance of debt instruments or modification of a financial liability. Transaction costs are now deducted from the financial liability and are amortized using the effective interest method over the expected life of the related liability.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial instruments (cont'd…)

The Company also adopted the requirements of the CICA Handbook Section 3862, Financial Instruments – Disclosures and CICA Handbook Section 3863, Financial Instruments – Presentation. Section 3862 modifies the disclosure requirements of Section 3861, Financial Instruments – Disclosure and Presentation, including required disclosure for the assessment of the significance of financial instruments for an entity's financial position and performance and of the extent of risks arising from financial instruments to which the Company is exposed and how the Company manages those risks, whereas Section 3863 carries forward the presentation related requirements of Section 3861.

Capital disclosures

The Company adopted the requirements of CICA Handbook Section 1535, Capital Disclosures, which requires the Company to provide disclosures to enable users of the financial statements to evaluate the Company's objectives, policies and processes for managing capital. These disclosures are shown in Note 3.

Recent accounting pronouncements

The following accounting pronouncements are applicable to annual and interim periods beginning on or after October 1, 2008:

Goodwill and Intangible Assets (Section 3064)

This new standard replaces the current standard for goodwill and intangible assets, *Section 3062*, and establishes revised standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The new standard also provides guidance for the treatment of pre-production and start-up costs and requires that these costs be expensed as incurred.

The adoption of this new pronouncement is not expected to have a material effect on the Company's financial statements.

International Financial Reporting Standards ("IFRS")

In 2006, 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, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended June 30, 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.

3. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. 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 properties in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

4. FINANCIAL INSTRUMENTS

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk, interest rate risk and price risk.

Credit risk

Credit risk is the risk of loss associated with a payee's inability to fulfill its payment obligations to the Company. The Company's cash is held at a large Canadian financial institution in interest bearing accounts. The Company has no investments in asset-backed commercial paper. The primary receivables owed to the Company are owed from the Federal Government of Canada as a result of GST refunds. The Company's believes it has no significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2009, the Company had a cash balance of $3,649,777 to settle current liabilities of $19,837. Management believes that it has sufficient funds to meet its current liabilities as they become due.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk:

The Company's interest rate risk is limited to the risk that the fair value of future cash flows from a financial instrument will fluctuate as a result of changes in market prices. The Company's financial assets and liabilities are not exposed to significant interest rate risk due to their short-term nature. The Company's investment policy focuses on the preservation of capital and limits investments of excess cash into high grade Canadian debt securities.

4. FINANCIAL INSTRUMENTS (cont'd…)

Market risk (cont'd…)

b) Price risk:

The Company is exposed to price risk with respect to commodity prices as it is in the resource industry. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. The Company's future operations are affected by changes in the market prices for commodities. The supply and demand for commodities, the level of interest rates, the rate of inflation, investment decisions by large holders of commodities including governmental reserves and stability of exchange rates can all cause significant fluctuations in commodity prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments.

c) Foreign exchange risk:

The Company principally operates in Canada and the majority of its transactions are incurred in Canada, and is therefore not exposed to currency fluctuations denominated in currencies other than the Canadian dollar, the Company's functional currency. The Company's cash, accounts receivables and accounts payable and accrued liabilities are held in Canadian dollars and are therefore not subject to fluctuations.

5. EQUIPMENT

	March 31, 2009			June 30, 2008		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Computer equipment	$ 2,678	$ 603	$ 2,075	$ 2,678	$ -	$ 2,678
Office furniture and fixtures	8,520	71	8,449	-	-	-
	$ 11,198	$ 674	$ 10,524	$ 2,678	$ -	$ 2,678

6. RECLAMATION BONDS

The Company has reclamation bonds in place for $32,000 posted with the Government of British Columbia relating to the exploration of the Mt. Haskin ($7,000) and Cassiar Moly ($25,000) properties.

7. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS

Title to mineral property interests 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 mineral claims. The Company has investigated title to all of its mineral property interests and, to the best of its knowledge, title to all of its interests are in good standing. The mineral property interests in which the Company has committed to earn an interest are located in Canada.

7. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS (cont'd…)

Mt. Haskin

The Company holds a 100% interest in the Mt. Haskin property, which is located in the Cassiar District of Liard Mining Division in northwestern British Columbia, Canada. The claims are subject to a 3% net smelter royalty ("NSR"), which may be acquired by the Company for a cash payment of $1,500,000.

Cassiar Moly

The Company holds a 100% interest in the Cassiar Moly property, which is located in the Cassiar District of Liard Mining Division in northwestern British Columbia, Canada. Certain claims are subject to a 1.5% NSR, which may be acquired by the Company for a cash payment of $1,500,000.

The following mineral property and deferred exploration costs were incurred on the Company's mineral properties:

	Mt. Haskin	Cassiar Moly	Total
Acquisition costs , opening balance	$ 45,100	$ 45,100	$ 90,200
Deferred exploration			
Opening balance	40,759	3,500	44,259
Assays and lab tests	84,303	-	84,303
Camp geotech	111,098	26,099	137,197
Camp costs, room and board	45,661	11,854	57,515
Core storage	6,000	-	6,000
Drilling and related	537,765	-	537,765
Equipment rental	18,237	28,449	46,686
Exploration management	43,000	32,600	75,600
Filing and assessment	8,508	7,359	15,867
Fuel, travel and transportation	50,295	38,850	89,145
Geological consulting	69,570	37,852	107,422
Mapping and reproduction	31,898	10,068	41,966
Materials and supplies	31,905	5,179	37,084
Meals and lodging	13,369	10,117	23,486
Rock scaling	-	116,120	116,120
Site access	16,000	25,000	41,000
Telephone and communication	525	-	525
	1,068,134	349,547	1,417,681
Total deferred exploration costs	1,108,893	353,047	1,461,940
Total mineral property and deferred exploration costs	$ 1,153,993	$ 398,147	$ 1,552,140

8. SHARE CAPITAL AND CONTRIBUTED SURPLUS

	Number of Shares	Amount	Contributed Surplus
Authorized			
Unlimited common shares without par value			
Issued			
Balance at June 30, 2008 and March 31, 2009	29,082,833	$ 6,032,670	$ 952,683

Stock options

The Company, in accordance with its stock option plan, is authorized to grant options to directors, employees and consultants, to acquire up to 10% of its issued and outstanding common stock. The exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 5 years. Options granted vest at the discretion of the board.

Stock options outstanding at March 31, 2009 are as follows:

	Number Of Shares	Exercise Price	Expiry Date
Agents' options	145,833	$ 0.50	May 20, 2009
	87,500	0.50	June 11, 2009
Stock options	300,000	0.64	May 20, 2010
	2,000,000	0.50	March 19, 2013

Warrants

Warrants outstanding at March 31, 2009 are as follows:

Number of Shares	Exercise Price	Expiry Date
97,965	$ 0.50	May 9, 2009
9,399,500	0.75	May 9, 2009
	if not then at $1.00	May 9, 2010
2,083,333	0.75	May 20, 2009
	if not then at $1.50	May 20, 2010
1,250,000	0.75	June 11, 2009
	if not then at $1.50	June 11, 2010

9. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

a) Paid or accrued $143,000 (June 30, 2008 - $24,000) in management fees to companies controlled by directors of the Company.

b) Paid or accrued $76,667 (June 30, 2008 - $38,600) in management fees to three directors of the Company.

c) Paid or accrued $Nil (June 30, 2008 - $1,800) in consulting fees to a director of the Company.

d) Paid or accrued $75,600 (June 30, 2008 - $Nil) in exploration management fees, $18,002 (June 30, 2008 - $Nil) in equipment rental costs and $25,000 in site access fees to two director of the Company. These costs are capitalized under mineral properties and deferred exploration costs and shown in Note 7 of the unaudited consolidated financial statements.

e) Paid $Nil (June 30, 2008 - $90,200) in acquisition costs for mineral property claims to a company with a common director.

Included in accounts payable is $Nil (June 30, 2008 - $13,469) due to directors and a company controlled by a director.

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

10. SEGMENT INFORMATION

The Company has one reportable operating segment, being the acquisition and exploration of mineral properties. The Company conducts all of its operations in Canada.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

There were no significant non-cash transactions during the nine month period ended March 31, 2009.

The significant non-cash transactions during the period from December 28, 2007 to June 30, 2008 were as follows:

a) Issuance of 12,000,000 common shares in exchange for the all of the issued and outstanding common shares of VEL.

b) Issuance of 50,000 common shares in consideration for corporate finance fees pursuant to a brokered private placement.

c) Issuance of 97,965 brokers warrants and 233,333 agents' options with a fair value of $19,181 and $74,147, respectively, in connection with a private placement.

d) Included in mineral properties and deferred exploration costs is $10,200 which relates to accounts payable and accrued liabilities.