

*Financial statements of*

**6356095 CANADA INC.**

*June 30, 2010*

*(Unaudited - See "Notice to Reader")*

# **6356095 CANADA INC.**

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## **Notice to Reader**

On the basis of information provided by management, we have compiled the balance sheet of **6356095 Canada inc.** as at June 30, 2010 and the statements of retained earnings and loss for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

We have also prepared journal entries to compile these financial statements. Readers should not assume a higher level of reliability as a result of this additional work.

Chartered Accountants

Montreal, Quebec  
December 4, 2010

# 6356095 CANADA INC.

## Balance Sheet

As at June 30, 2010

(Unaudited - See "Notice to Reader")

	2010	2009
	\$	\$
<b>Assets</b>		
Current		
Cash	1,158,509	1,758,609
Trust Funds	4,174,699	5,021,092
Marketable securities	10,413,438	23,619,504
Accrued interest receivable	29,747	16,019
Income taxes refundable	-	2,370,900
Prepaid expenses	154,844	191,496
	<b>15,931,237</b>	32,977,620
Investment in foreign subsidiary	450,000	450,000
Notes receivable	40,518,676	46,520,000
	<b>56,899,913</b>	79,947,620
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities	5,558	84,904
Dividend payable	-	11,290,000
	<b>5,558</b>	11,374,904
<b>Shareholders' equity</b>		
Capital stock	45,711,265	45,711,265
Retained earnings	11,183,090	22,861,451
	<b>56,894,355</b>	68,572,716
	<b>56,899,913</b>	79,947,620

Approved on Behalf of the Board:

..... Director

**6356095 CANADA INC.**  
**Statement of Retained Earnings**  
**Year Ended June 30, 2010**  
*(Unaudited - See "Notice to Reader")*

	<b>2010</b>	<b>2009</b>
	\$	\$
<b>Retained earnings as previously reported</b>	<b>22,861,451</b>	93,595,855
Add: Capital gains refund	-	2,370,900
	<b>22,861,451</b>	95,966,755
Less: Net loss	<b>(6,428,361)</b>	(61,815,304)
Capital gains dividend	<b>(5,250,000)</b>	(11,290,000)
<b>Retained earnings - end of year</b>	<b>11,183,090</b>	22,861,451

**6356095 CANADA INC.****Statement of Loss****Year Ended June 30, 2010***(Unaudited - See "Notice to Reader")*

	<b>2010</b>	2009
	\$	\$
<b>Revenues</b>		
Interest income	<b>219,754</b>	357,169
Gain on disposal of marketable securities	<b>5,435</b>	-
	<b>225,189</b>	357,169
<b>Operating expenses</b>		
Directors fees	<b>85,627</b>	63,249
Insurance and taxes	<b>318,412</b>	436,007
Interest and bank charges	<b>4,707</b>	141,282
Office and general	<b>7,093</b>	10,948
Professional fees	<b>1,196,775</b>	1,613,605
Travel	<b>8,826</b>	20,279
	<b>1,621,440</b>	2,285,370
Operating loss before undernoted items	<b>(1,396,251)</b>	(1,928,201)
Foreign exchange gain (loss)	<b>(5,032,110)</b>	14,608,360
Loss on disposal of note receivable	-	74,483,565
	<b>(5,032,110)</b>	(59,875,205)
Loss before income taxes	<b>(6,428,361)</b>	(61,803,406)
Recovery of income taxes	-	11,898
<b>Net loss</b>	<b>(6,428,361)</b>	(61,815,304)