
GOLDEN PEAKS RESOURCES LTD.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
JULY 31, 2009

(Unaudited - Prepared by Management)

**MANAGEMENT'S COMMENTS ON
UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**

The accompanying unaudited interim consolidated financial statements of Golden Peaks Resources Ltd. for the three months ended July 31, 2009, have been prepared by and are the responsibility of the Company's management. These statements have not been reviewed by the Company's external auditors.

GOLDEN PEAKS RESOURCES LTD.
INTERIM CONSOLIDATED BALANCE SHEETS
(Unaudited - Prepared by Management)

	July 31, 2009	April 30, 2009
	\$	\$
A S S E T S		
CURRENT ASSETS		
Cash and cash equivalents	383,052	407,487
Amounts receivable	10,583	20,095
Prepays	<u>19,014</u>	<u>26,896</u>
	412,649	454,478
PLANT AND EQUIPMENT	84,570	88,806
RESOURCE INTERESTS (Note 4)	<u>2,060,837</u>	<u>2,049,920</u>
	<u><u>2,558,056</u></u>	<u><u>2,593,204</u></u>

L I A B I L I T I E S

CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 9)	<u>628,452</u>	<u>675,427</u>

S H A R E H O L D E R S ' E Q U I T Y

SHARE CAPITAL (Note 6)	30,124,188	29,862,855
CONTRIBUTED SURPLUS (Note 8)	3,164,843	3,164,843
DEFICIT	<u>(31,359,427)</u>	<u>(31,109,921)</u>
	<u>1,929,604</u>	<u>1,917,777</u>
	<u><u>2,558,056</u></u>	<u><u>2,593,204</u></u>

NATURE OF OPERATIONS (Note 1)

APPROVED BY THE BOARD

"Kieran Downes" , Director

"Nick DeMare" , Director

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

GOLDEN PEAKS RESOURCES LTD.
INTERIM CONSOLIDATED STATEMENTS OF LOSS AND
COMPREHENSIVE LOSS AND DEFICIT
(Unaudited - Prepared by Management)

	Three Months Ended	
	July 31	
	2009	2008
	\$	\$
		<i>(Restated Note 2)</i>
MINERAL EXPLORATION COSTS (Note 5)	<u>73,526</u>	<u>853,494</u>
EXPENSES		
Accounting and administration	12,600	20,000
Amortization	1,751	5,874
Audit	23,810	49,000
Capital tax	-	184,508
Consulting	9,000	3,380
Directors' fees	12,500	12,500
Filing and transfer agent fees	1,719	8,402
General exploration	-	1,071
Legal	23,194	53,431
Management fees	29,100	25,163
Office and general	13,012	23,661
Office rent	11,204	5,384
Salaries and benefits	14,474	26,101
Shareholder communications	4,405	5,701
Travel and related costs	<u>12,380</u>	<u>14,187</u>
	<u>169,149</u>	<u>438,363</u>
LOSS BEFORE THE FOLLOWING ITEMS	(242,675)	(1,291,857)
INTEREST INCOME	266	16,633
FOREIGN EXCHANGE GAIN (LOSS)	<u>(7,097)</u>	<u>36,128</u>
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	(249,506)	(1,239,096)
DEFICIT - BEGINNING OF PERIOD	<u>(31,109,921)</u>	<u>(20,268,873)</u>
DEFICIT - END OF PERIOD	<u>(31,359,427)</u>	<u>(21,507,969)</u>
 BASIC AND DILUTED LOSS PER COMMON SHARE	 <u>\$(0.01)</u>	 <u>\$(0.04)</u>
 WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	 <u>35,885,827</u>	 <u>31,563,594</u>

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

GOLDEN PEAKS RESOURCES LTD.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited - Prepared by Management)

	Three Months Ended	
	July 31	
	2009	2008
	\$	\$
		<i>(Restated Note 2)</i>
CASH PROVIDED FROM (USED FOR)		
OPERATING ACTIVITIES		
Loss for the period	(249,506)	(1,239,096)
Items not involving cash		
Amortization	4,236	5,874
	(245,270)	(1,233,222)
Decrease in amounts receivable	9,512	24,063
Decrease in prepaids	7,882	7,264
Increase (decrease) in accounts payable and accrued liabilities	(46,975)	(194,983)
	(274,851)	(1,396,878)
FINANCING ACTIVITY		
Issuance of common shares	261,333	-
INVESTING ACTIVITIES		
Expenditures on resource interests	(10,917)	(22,219)
Plant and equipment purchases	-	(23,130)
	(10,917)	(45,349)
DECREASE IN CASH AND CASH EQUIVALENTS FOR THE PERIOD	(24,435)	(1,442,227)
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	407,487	3,392,649
CASH AND CASH EQUIVALENTS - END OF PERIOD	383,052	1,950,422
CASH AND CASH EQUIVALENTS COMPRISED OF:		
Cash	318,123	549,917
Short-term investments	64,929	1,400,505
	383,052	1,950,422

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

GOLDEN PEAKS RESOURCES LTD.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JULY 31, 2009
(Unaudited - Prepared by Management)

1. NATURE OF OPERATIONS

Golden Peaks Resources Ltd. (the “Company”) is a junior mineral exploration company currently engaged in the acquisition and exploration of precious metals on mineral properties located in Argentina. On the basis of information to date, it has not yet determined whether these properties contain economically recoverable ore reserves. The underlying value of the resource interests is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. The amounts shown as resource interests represent net costs to date, less amounts recovered or written off, and do not necessarily represent present or future values.

These interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“Canadian GAAP”) applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At July 31, 2009, the Company had a working capital deficiency of \$215,803, had not yet achieved profitable operations, had accumulated losses of \$31,359,427 and expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as going concern is dependent upon its ability to generate future profitable operations and/or obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due.

2. COMPARATIVE FIGURES

During the year ended April 30, 2009 (“fiscal 2009”), the Company commenced its review of the impact of International Financial Reporting Standards (“IFRS”) on its current accounting policies. Part of this initial review included an examination of the Company’s current accounting policies. In light of this review at the end of fiscal 2009, the Company determined that it was appropriate to change its accounting policy for resource interests whereby exploration and development costs are to be expensed until such time as either reserves are proven or permits to operate a mineral resource property are received and financing to complete development has been obtained. Previously, the Company capitalized its exploration and development expenditures as incurred, which is permitted under Canadian GAAP.

Management believes that this revised accounting policy will provide a more relevant and reliable basis of accounting. Among other benefits, the revised accounting policy aligns the accounting treatment of resource interest expenditures with standards used by producing mining companies in the resource sector and with global accounting standards. The change in accounting policy has been applied retrospectively, and the comparative statements have been restated.

The effect of the change was to increase the accumulated deficit at April 30, 2008 by \$12,068,475. Further impacts of the restatement are noted in the table below:

GOLDEN PEAKS RESOURCES LTD.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JULY 31, 2009
(Unaudited - Prepared by Management)

2. COMPARATIVE FIGURES (continued)

	As Previously Reported \$	Adjustment \$	Restated \$
Statement of Loss and Comprehensive Loss and Deficit for the three months ended July 31, 2008			
Mineral exploration costs	-	(853,494)	(853,494)
Net loss and comprehensive loss for the period	(385,602)	(853,494)	(1,239,096)
Basic and diluted loss per share	(0.01)	(0.03)	(0.04)
Statement of Cash Flows for the three months ended July 31, 2008			
Operating activities	(147,637)	(1,249,241)	(1,396,878)
Investing activities	(1,294,590)	1,249,241	(45,349)

3. SIGNIFICANT ACCOUNTING POLICIES

The interim consolidated financial statements of the Company have been prepared by management in accordance with Canadian GAAP. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the interim consolidated financial statements and accompanying notes. Actual results could differ from those estimates. The interim consolidated financial statements have, in management's opinion, been properly prepared using careful judgement with reasonable limits of materiality. These interim consolidated financial statements should be read in conjunction with the most recent annual consolidated financial statements. The significant accounting policies follow that of the most recently reported annual consolidated financial statements, except as noted below.

Adoption of New Accounting Standards

Goodwill and Intangible Assets

The Accounting Standards Board ("AcSB") issued Section 3064, *Goodwill and Intangible Assets*, which 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. Effective May 1, 2009, the Company adopted Section 3062, which did not have an impact on the Company's financial position and results of operations under current operating conditions but could have an impact on the future accounting treatment of expenditures on mineral property development once mineral reserves have been proved or an operating permit received and financing for development obtained.

Future Accounting Policies

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, *Business Combinations*, Section 1601, *Consolidated Financial Statements*, and Section 1602, *Non-Controlling Interests*. These new standards will be effective for fiscal years beginning on or after January 1, 2011. The Company is in the process of evaluating the requirements of the new standards.

GOLDEN PEAKS RESOURCES LTD.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JULY 31, 2009
(Unaudited - Prepared by Management)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Section 1582 replaces Section 1581, *Business Combinations*, and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to IFRS 3, *Business Combinations*. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace Section 1600, *Consolidated Financial Statements*. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS IAS 27, *Consolidated and Separate Financial Statements*, and applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

International Financial Reporting Standards

In 2006, the 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. Companies will be required to provide comparative IFRS information for the previous fiscal year. 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.

4. RESOURCE INTERESTS

In December 2003, the Company entered into an option agreement to earn a 100% interest in the La Fortuna Property located in the province of Chubut, Argentina, under which the Company paid a total of US \$350,000 in option payments.

The Company is also required to pay US \$1 per ounce of all proven and economically recoverable gold or gold-silver equivalent to the optionor, to a maximum of US \$5 million, of which an initial payment of US \$1 million was paid on June 19, 2007. The Company is also required to pay for all additional proven and economically recoverable ounces of gold or gold-silver equivalent discovered in excess of 1 million ounces, if such ounces exist, to a maximum of 4 million ounces, at US \$1 per ounce. In December 2008, the Company delivered an independent report to the vendor and no additional payments were required of the Company. The Company continues to have the obligation to pay US \$1 per ounce for all additional proven and economically recoverable ounces of gold or gold-silver equivalent discovered to a maximum of 4 million ounces.

The vendor is obligated by the terms of the agreement to transfer ownership of the La Fortuna Property to the Company. As of July 31, 2009, the ownership of the La Fortuna Property had not been transferred to the Company. The Company has requested that the title to the La Fortuna Property be transferred and is taking steps with the vendor to ensure that this transfer takes place.

As at July 31, 2009 the La Fortuna Property represents the Company's sole significant mineral property interest.

GOLDEN PEAKS RESOURCES LTD.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JULY 31, 2009
(Unaudited - Prepared by Management)

5. MINERAL EXPLORATION COSTS

Mineral exploration costs incurred during the three months ended July 31, 2009 and 2008, are detailed below:

	<u>2009</u>
	La Fortuna
	\$
Accounting	8,617
Amortization	2,485
Camp costs	2,177
Communications	585
Field personnel and supervision	21,085
Foreign value added tax	7,775
Geological	22,012
Satellite imagery	428
Travel and transportation	8,362
	<u>8,362</u>
Total	<u><u>73,526</u></u>

	<u>2008</u>			
	La Fortuna	Lonco	Cerro Delta	Total
	\$	\$	\$	\$
Accounting	5,132	-	-	5,132
Assaying	123,524	-	-	123,524
Communications	6,305	-	41	6,346
Drilling	264,258	-	-	264,258
Excavation	87,761	-	-	87,761
Field personnel and supervision	76,713	-	3,938	80,651
Geological	51,182	-	4,293	55,475
Satellite imagery	3,215	-	-	3,215
Travel and transportation	92,687	803	2,821	96,311
	<u>710,777</u>	<u>803</u>	<u>11,093</u>	722,673
Amortization				3,077
Foreign value added tax				<u>127,744</u>
Total				<u><u>853,494</u></u>

GOLDEN PEAKS RESOURCES LTD.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JULY 31, 2009
(Unaudited - Prepared by Management)

6. SHARE CAPITAL

Authorized - unlimited common shares without par value

Issued -	<u>Three Months Ended</u> <u>July 31, 2009</u>		<u>Year Ended</u> <u>April 30, 2009</u>	
	Shares	\$	Shares	\$
Balance, beginning of period	<u>35,463,594</u>	<u>29,862,855</u>	<u>31,563,594</u>	<u>29,300,113</u>
Issued during the period				
For cash				
Private placement	-	-	3,900,000	585,000
Exercise of warrants	<u>1,306,666</u>	<u>261,333</u>	<u>-</u>	<u>-</u>
	1,306,666	261,333	3,900,000	585,000
Less: Share issue costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>(22,258)</u>
	<u>1,306,666</u>	<u>261,333</u>	<u>3,900,000</u>	<u>562,742</u>
Balance, end of period	<u><u>36,770,260</u></u>	<u><u>30,124,188</u></u>	<u><u>35,463,594</u></u>	<u><u>29,862,855</u></u>

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at July 31, 2009 and 2008, and the changes for the three months ending on those dates is as follows:

	<u>2009</u>		<u>2008</u>	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance, beginning of period	3,900,000	0.20	-	-
Exercised	<u>(1,306,666)</u>	0.20	<u>-</u>	<u>-</u>
Balance, end of period	<u><u>2,593,334</u></u>	0.20	<u><u>-</u></u>	<u><u>-</u></u>

As at July 31, 2009, the Company had warrants outstanding to purchase 2,593,334 common shares, at an exercise price of \$0.20 per share, expiring January 14, 2010.

7. STOCK OPTIONS AND STOCK-BASED COMPENSATION

A summary of the Company's outstanding stock options at July 31, 2009 and 2008, and the changes for the three months ending on those dates is presented below:

	<u>2009</u>		<u>2008</u>	
	Options Outstanding	Weighted Average Exercise Price \$	Options Outstanding	Weighted Average Exercise Price \$
Balance, beginning of period	1,705,000	1.55	2,733,000	1.76
Expired	<u>-</u>	<u>-</u>	<u>(33,000)</u>	2.22
Balance, end of period	<u><u>1,705,000</u></u>	1.55	<u><u>2,700,000</u></u>	1.75

GOLDEN PEAKS RESOURCES LTD.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JULY 31, 2009
(Unaudited - Prepared by Management)

7. STOCK OPTIONS AND STOCK-BASED COMPENSATION (continued)

The following table summarizes information about the stock options outstanding and exercisable at July 31, 2009:

Exercise Price \$	Number Outstanding	Expiry Date
2.27	75,000	September 21, 2009
1.40	1,330,000	April 8, 2010
2.05	<u>300,000</u>	May 10, 2010
	<u><u>1,705,000</u></u>	

8. CONTRIBUTED SURPLUS

The Company's contributed surplus as July 31, 2009 and 2008, and the changes for the three months ending on those dates are comprised of the following:

	2009 \$	2008 \$
Balance, beginning and end of period	<u>3,164,843</u>	<u>3,164,843</u>

9. RELATED PARTY TRANSACTIONS

During the three months ended July 31, 2009 and 2008 the Company was charged for various services provided by companies controlled by directors and officers of the Company, as follows:

	2009 \$	2008 \$
Accounting and administration	12,600	20,000
Management fees	50,100	50,100
Consulting and professional	2,500	2,500
Directors fees	<u>12,500</u>	<u>12,500</u>
	<u><u>77,700</u></u>	<u><u>85,100</u></u>

As at July 31, 2009, accounts payable and accrued liabilities include \$87,497 (2008 - \$36,557) due to these related parties.

These transactions were measured at the exchange amount, which was the amount of consideration established and agreed to by related parties.

GOLDEN PEAKS RESOURCES LTD.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JULY 31, 2009
(Unaudited - Prepared by Management)

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying value of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial Risk Factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is remote.

Liquidity Risk

All of the Company's liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from future financings.

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. These fluctuations may be significant.

(a) Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash and cash equivalents are maintained at the financial institutions is subject to floating rate of interest. The interest rate risks on cash and cash equivalents and on the Company's obligations are not considered significant.

(b) Foreign Currency Risk

The Company has operations in Canada and Argentina subject to foreign currency fluctuations. The Company's operating expenses are incurred in Canadian dollars, United States dollars ("US dollars") and Argentinean pesos, and the fluctuation of the Canadian dollar in relation to these other currencies will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks.

At July 31, 2009, 1 Canadian dollar was equal to 0.9267 U.S. dollar and 3.5543 Argentinean pesos.

GOLDEN PEAKS RESOURCES LTD.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JULY 31, 2009
(Unaudited - Prepared by Management)

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Balances are as follows:

	U.S. \$	Argentinean Pesos	CDN \$ Equivalent
Cash and cash equivalents	122,112	52,492	146,527
Amounts receivable	-	5,127	1,443
Accounts payable and accrued liabilities	<u>(91,236)</u>	<u>(1,319,418)</u>	<u>(439,030)</u>
	<u>30,876</u>	<u>(1,261,799)</u>	<u>(291,060)</u>

Based on the net exposures as of July 31, 2009, and assuming that all other variables remain constant, a 1% fluctuation on the Canadian dollar against the U.S. dollar and Argentinean peso would result in the Company's net loss to be \$2,911 higher (or lower).

(c) Price Risk

None of the Company's future cash flows of financial instruments are subject to change from other price risks.

11. 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 and exploration 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 Company defines capital that it manages as share capital, and cash and cash equivalents. 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.