OLIVUT RESOURCES LTD.

(A DEVELOPMENT STAGE COMPANY)

INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED JULY 31, 2009

**THESE INTERIM FINANCIAL STATEMENTS ARE UNAUDITED
AND HAVE NOT BEEN REVIEWED BY THE COMPANY'S AUDITORS**

OLIVUT RESOURCES LTD.
(A Development Stage Company)
BALANCE SHEETS
AS AT

	July 31 2009 $ (Unaudited)	October 31 2008 $ (Audited) (Note 1)
ASSETS		
CURRENT		
Cash and cash equivalents	4,735,325	6,010,365
Amounts receivable	33,748	102,545
Prepaid expense	23,354	-
Current portion of loan receivable (Note 6)	16,822	16,822
	4,809,249	6,129,732
REFUNDABLE DEPOSITS (Note 4)	-	249,452
EQUIPMENT (Note 5)	4,997	6,060
LOAN RECEIVABLE (Note 6)	231,118	231,328
	5,045,364	6,616,572
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities (Note 7)	130,486	298,948
COMMITMENT AND CONTINGENCIES (Note 9)		
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (Note 8(b))	11,939,856	11,939,856
WARRANTS (Note 8(c))	2,369,000	2,300,000
CONTRIBUTED SURPLUS (Note 8(e))	1,979,343	1,932,474
(DEFICIT)	(11,373,321)	(9,854,706)
	4,914,878	6,317,624
	5,045,364	6,616,572

APPROVED ON BEHALF OF THE BOARD:

Signed "Craig Reith", Director

Signed "Leni Keough", Director

See accompanying notes to the interim unaudited financial statements.

OLIVUT RESOURCES LTD.
(A Development Stage Company)
INTERIM STATEMENTS OF OPERATIONS AND (DEFICIT)

	Three Months Ended July 31, 2009 $ (Unaudited)	Three Months Ended July 31, 2008 $ (Unaudited) (Notes 1 & 3)	Nine Months Ended July 31, 2009 $ (Unaudited)	Nine Months Ended July 31, 2008 $ (Unaudited) (Notes 1 & 3)
Exploration expenses (Notes 4 & 7)	782,593	1,131,880	1,121,030	1,652,773
Administrative and general expenses	192,897	220,192	533,947	1,062,958
Amortization	354	471	1,063	1,411
(Loss) before the under-noted	(975,844)	(1,352,543)	(1,656,040)	(2,717,142)
Interest income from held for trading financial assets	39,044	78,679	122,184	258,520
Interest income from loan and amounts receivable	5,904	4,433	15,241	13,986
NET (LOSS) FOR THE PERIOD	(930,896)	(1,269,431)	(1,518,615)	(2,444,636)
(DEFICIT), beginning of period	(10,442,425)	(7,695,548)	(9,854,706)	(6,520,343)
(DEFICIT), end of period	(11,373,321)	(8,964,979)	(11,373,321)	(8,964,979)
NET (LOSS) PER SHARE - Basic and Diluted	($0.029)	($0.040)	($0.048)	($0.077)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	31,650,637	31,588,317	31,650,637	31,588,317

See accompanying notes to the interim unaudited financial statements.

OLIVUT RESOURCES LTD.
(A Development Stage Company)
INTERIM STATEMENTS OF CASH FLOWS

	Three Months Ended July 31, 2009 $ (Unaudited)	Three Months Ended July 31, 2008 $ (Unaudited) (Notes 1 & 3)	Nine Months Ended July 31, 2009 $ (Unaudited)	Nine Months Ended July 31, 2008 $ (Unaudited) (Notes 1 & 3)
CASH FLOWS FROM OPERATING ACTIVITIES				
Net (loss) for the period	(930,896)	(1,269,431)	(1,518,615)	(2,444,636)
Adjustments for charges not involving cash:				
Stock based compensation	15,623	108,019	46,869	486,959
Value attributed to extension of warrants	69,000	-	69,000	-
Amortization	354	471	1,063	1,411
	(845,919)	(1,160,941)	(1,401,683)	(1,956,266)
Changes in non-cash working capital balances:				
(Increase) decrease in amounts receivable	(26,042)	(39,790)	68,797	106,976
(Increase) in prepaid expense	(23,354)	-	(23,354)	-
Decrease in refundable deposits	-	-	249,452	-
Increase (decrease) in accounts payable and accrued liabilities	(18,831)	323,325	(168,462)	100,267
Cash flows from operating activities	(914,146)	(877,406)	(1,275,250)	(1,749,023)
CASH FLOWS FROM INVESTING ACTIVITIES				
Loan receivable	95	67	210	197
(Decrease) in cash and cash equivalents	(914,051)	(877,339)	(1,275,040)	(1,748,826)
Cash and cash equivalents, beginning of period	5,649,376	8,078,892	6,010,365	8,950,379
Cash and cash equivalents, end of period	4,735,325	7,201,553	4,735,325	7,201,553
CASH AND CASH EQUIVALENTS ARE COMPOSED OF:				
Cash	62,092	155,434	62,092	155,434
Cash equivalents	4,673,233	7,046,119	4,673,233	7,046,119
	4,735,325	7,201,553	4,735,325	7,201,553
SUPPLEMENTAL INFORMATION				
Interest paid	-	-	-	-
Income tax paid	-	-	-	-

See accompanying notes to the interim unaudited financial statements.

1. BASIS OF PRESENTATION

The accompanying unaudited interim financial statements of Olivut Resources Ltd. (the "Company") have been prepared by, and are the responsibility of, the Company's management. Effective November 1, 2008 the Company amalgamated with its wholly-owned subsidiary Olivut Investments Ltd. Comparative amounts for periods prior to November 1, 2008 were consolidated.

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 auditor.

These interim financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and follow the same accounting policies and methods of application as the audited financial statements for the year ended October 31, 2008, except as disclosed in Note 3. They do not include all of the information and disclosures required by Canadian GAAP for annual financial statements. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. Operating results for the period ended July 31, 2009 are not necessarily indicative of the results that may be expected for the full year ended October 31, 2009. For further information, see the Company's financial statements including the notes thereto for the year ended October 31, 2008**.**

2. NATURE OF OPERATIONS AND GOING CONCERN

The Company is a development stage company as defined by the Canadian Institute of Chartered Accountants (the "CICA") Accounting Guideline 11 and currently is engaged in the acquisition, exploration and development of properties for the purpose of mining precious and base minerals.

The Company is in the process of exploring properties for mineral resources and has not determined whether the properties contain economically recoverable reserves. The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current or future exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation and confirmation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, the ability of the Company to obtain financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, native land claims and non-compliance with regulatory and environmental requirements.

These financial statements have been prepared in accordance with GAAP applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

The Company has a need for equity capital and financing in order to explore and develop its properties and for working capital requirements. Because of limited working capital and continuing operating losses, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. There is no assurance that these funds will be available on terms acceptable to the company or at all.

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3. ACCOUNTING POLICIES

a) Changes in accounting policies

Mineral property exploration and development costs

Effective October 31, 2008, the Company retroactively changed its accounting policy of capitalizing mineral property exploration and development costs in order to provide more reliable and relevant financial information during a period of market uncertainty and for all future periods. Under the new policy, which is in accordance with CICA Handbook Section 3061, development costs are expensed until it has been established that a mineral deposit is commercially viable and a mine development decision has been made by the Company. Thereafter, the Company capitalizes expenditures subsequently incurred to develop the mine, prior to the start of mining operations.

The following is a reconciliation of the Company's statements of operations and deficit and cash flows for the three and nine months ended July 31, 2008 reflecting the impact of the restatements:

	As Previously Reported $	Adjustment $	As Restated $
	For the three months ended July 31, 2008		
Statement of Operations			
Exploration expenses	-	1,131,880	1,131,880
Income tax recovery	39,000	39,000	-
Net loss for the period	98,551	1,170,880	1,269,431
Loss per share – basic and diluted	0.003	0.037	0.040
Statement of Cash Flows			
Cash flows from operating activities	(82,325)	(795,081)	(877,406)
Cash flows from financing activities	-	-	-
Cash flows from investing activities	(795,014)	795,081	67
	For the nine months ended July 31, 2008		
Statement of Operations			
Exploration expenses	-	1,652,773	1,652,773
Income tax recovery	298,000	298,000	-
Net loss for the period	493,863	1,950,773	2,444,636
Loss per share – basic and diluted	0.016	0.061	0.077
Statement of Cash Flows			
Cash flows from operating activities	(146,844)	(1,602,179)	(1,749,023)
Cash flows from financing activities	-	-	-
Cash flows from investing activities	(1,601,982)	1,602,179	197

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3. ACCOUNTING POLICIES (Continued)

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the Emerging Issues Committee of the CICA issued EIC-173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities", which establishes that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments. This EIC is applicable to fiscal periods ending on or after January 12, 2009. The adoption of this abstract had no impact on the Company's presentation of its financial position or results of operations as at July 31, 2009.

Mining Exploration Costs

On March 27, 2009, the Emerging Issues Committee of the CICA issued EIC-174, "Mining Exploration Costs", which provides guidance on capitalization of exploration costs related to mining properties in particular, and on impairment of long-lived assets in general. As noted above, the Company now expenses all exploration costs and therefore the adoption of this abstract had no impact on the Company's presentation of its financial position or results of operations as at July 31, 2009.

b) Future Accounting Changes

The CICA issued the following three new accounting standards in January 2009. 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 these three new standards.

Business Combinations

CICA Handbook Section 1582 “Business Combinations” replaces Section 1581 “Business Combinations” and provides the Canadian equivalent to International Financial Reporting Standards (“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.

Consolidations and Non-Controlling Interests

CICA Handbook Sections 1601 “Consolidations” and 1602 “Non-Controlling Interests” together replace Section 1600 “Consolidated Financial Statements”. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 provides the Canadian equivalent to International Accounting Standard 27 “Consolidated and Separate Financial Statements” for non-controlling interests. This section is applicable for years beginning on or after January 1, 2011.

International Financial Reporting Standards

In January 2006, the CICA Accounting Standards Board adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies must converge with IFRS for financial years ending on or after January 1, 2011. Since the Company’s year–end is October 31, it must develop a changeover plan in preparation for conversion from GAAP to IFRS beginning November 1, 2011 (the “changeover date”). The Company currently does not have a changeover plan.. However, management considers the risk of not meeting the changeover date to be minimal, due to the simplicity of the Company’s accounting policies and computer systems and the size of it’s business. Management is currently in the process of developing a changeover plan.

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4. MINERAL PROPERTY AND EXPLORATION AND DEVELOPMENT EXPENDITURES

The Company has a 100% interest in 22 mineral claims and 52 prospecting permits in the Mackenzie Region, Northwest Territories (the "HOAM Project"). The interests in exploration properties are subject to a 1.5% Net Smelter Return royalty ("NSR"), 50% of which is held by a director and officer of the Company.

On May 26, 2009 the Company announced it had signed an option agreement with Uruguay Mineral Exploration Inc. ("Uruguay Minerals" or "UME" – TSX-V:UME and LSE: UGY) whereby Olivut will act as operator for an exploration program of certain diamond prospecting and exploration licenses (the "Properties") located in northern Uruguay, South America. These Properties are held by Cinco Rios S.A., a wholly owned subsidiary of UME. The Company has the option to acquire a 51% interest in the Properties by incurring minimum expenditures of $250,000 by June 1, 2010 and a total of $750,000 by December 31, 2011. Olivut`s interest may be increased to 80% depending on UME`s participation in subsequent work programs.

Refundable deposits totalling $249,452 with the Federal Government of Canada were required for the prospecting permits in the HOAM project. These deposits have been refunded in full.

During the three and nine month periods ended July 31, 2009 the Company incurred $782,593 and $1,121,030 respectively (2008 - $1,131,880 and $1,652,773 respectively) on exploration and development expenditures. Cumulative exploration and development expenditures made by the Company on the HOAM Project as at July 31, 2009 total $10,819,579 (October 31, 2008 - $9,698,549).

5. EQUIPMENT

	Cost	Accumulated Amortization	Net July 31, 2009	Net October 31, 2008
	$	$	$	$
Office Equipment	11,951	8,545	3,406	4,008
Computer Equipment	17,316	15,725	1,591	2,052
	29,267	24,270	4,997	6,060

6. LOAN RECEIVABLE

On May 25, 2007, the Company loaned $250,000 to an unrelated corporation providing services to the Company. The loan carries interest at 7% per annum and is secured by a general security agreement covering all assets of the borrower. Repayment terms include monthly payments of interest and principal of $1,500 with the balance due May 25, 2017.

7. RELATED PARTY TRANSACTIONS

During the three and nine months ended July 31, 2009, a total of $97,100 and $97,100 respectively (2008 - $119,955 and $162,805 respectively) for exploration consulting expenditures, and $57,400 and $172,200 respectively (2008 - $57,400 and $272,533 respectively) for administrative and general expenses were accrued or paid to directors and officers of the Company or persons or companies related to or controlled by them. The directors and officers of the Company or persons or companies related to or controlled by them were also reimbursed at cost for expenses incurred on behalf of the Company. Included in accounts payable and accrued liabilities at July 31, 2009 is $21,000 (October 31, 2008 - $18,600) relating to the above transactions owing to directors and officers of the Company or persons or companies related to or controlled by them.

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7. RELATED PARTY TRANSACTIONS (Continued)

The above 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 and is intended to reflect market rates between un-related parties. Amounts owing to the related parties are unsecured, non-interest bearing with no fixed terms of repayment.

8. CAPITAL STOCK

The capital stock is as follows:

a) Authorized

Unlimited number of common shares

b) Issued

31,650,637 common shares

A summary of changes in common shares is as follows:

	Common Shares #	Amount $
Balance, October 31, 2008 and July 31, 2009	31,650,637	11,939,856

As of July 31, 2009, a total of 444,602 common shares are held in escrow. These common shares will be released from escrow on January 9, 2010.

c) Warrants

The balance of warrants outstanding is as follows:

	Shares Issuable Upon Exercise of Warrants #	Estimated Fair Value $	Weighted Average Exercise Price $
Balance, October 31, 2008	2,300,000	2,300,000	2.00
Fair value attributed to extension of warrants to May 14, 2011	-	69,000	-
Balance, July 31, 2009	2,300,000	2,369,000	2.00

On March 17, 2009 the Company announced the extension of the expiry date of the warrants from May 14, 2009 to May 14, 2011. The fair value attributed to the extension of the warrants has been estimated using the Black-Scholes option pricing model with the following assumptions:

Expected dividend yield	0%
Risk-free interest rate	1.00%
Expected volatility	132%
Expected life	2 years

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8. CAPITAL STOCK (Continued)

d) Stock options

The Company's Stock Option Plan (the "Plan") provides for the granting of stock options to directors, officers, employees and consultants of the Company. Stock options are granted for a term not to exceed five years at exercise prices not less than the closing sale price on the TSX Venture Exchange on the trading day immediately preceding the date the options are granted, and are not transferable. The Plan is administered by the Board of Directors, which determines individual eligibility under the Plan, number of shares reserved for optioning to each individual (not to exceed 5% of issued and outstanding shares to any one individual) and the vesting period. The maximum number of shares of the Company that are issuable pursuant to the Plan is limited to 10% of the issued shares.

The following is a summary of stock options outstanding at July 31, 2009:

Expiry Date	Stock Options #	Exercisable Stock Options #	Exercise Price $(iv)
January 17, 2012 (i)	2,075,000	1,758,333	1.0000
April 13, 2012	75,000	75,000	1.1500
January 18, 2013 (ii)	125,000	41,667	0.8500
March 6, 2013 (iii)	30,000	10,000	0.7400
Total outstanding, October 31, 2008 and July 31, 2009	2,305,000	1,885,000	

(i) The 316,667 unvested options as at July 31, 2009 vest on January 17, 2010.
(ii) Of the 83,333 unvested options as at July 31, 2009, 41,667 vest on January 18, 2010 and 41,666 vest on January 18, 2011.
(iii) Of the 20,000 unvested options as at July 31, 2009, 10,000 vest on September 6, 2009 and 10,000 vest on March 6, 2010.
(iv) The weighted average exercise price amounts to $0.99.

There were no stock option transactions during the nine months ended July 31, 2009.

The fair values attributed to the options granted will be charged to general and administrative expenses and included in contributed surplus over the period the options vest. An amount of $46,869 was charged to expense for the nine months ended July 31, 2009 (2008 - $486,959).

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8. CAPITAL STOCK (Continued)

e) Contributed Surplus

A summary of changes in contributed surplus during the nine months ended July 31, 2009 is as follows:

	Amount $
Balance, October 31, 2008	1,932,474
Employee stock based compensation	40,905
Non-employee stock based compensation	5,964
Balance, July 31, 2009	1,979,343

9. COMMITMENT AND CONTINGENCIES

a) Environmental Contingencies

The Company's exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations, the future amounts of which cannot yet be determined or estimated.

b) Management Contracts

The Company is party to a management contract. Upon the occurrence of certain events the contract requires payment of up to $1,000,000. As the likelihood of these events taking place is not determinable, the contingent payment has not been reflected in these financial statements.

c) Operating Lease

The Company is committed to an operating lease for equipment rental, which expires on April 1, 2011. Minimum lease payments for successive fiscal years ending October 31 are as follows:

Year	$ Amount
2009	1,314
2010	5,256
2011	2,190
	8,760

As of July 31, 2009 $5,256 was due within one year.

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10. 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 capital of the Company consists of capital stock, warrants, stock options and contributed surplus. 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. Accordingly the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for its administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. 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.

There were no changes in the Company's approach to capital management during the nine months ended July 31, 2009. The Company is not subject to externally imposed capital requirements.

11. FINANCIAL RISK FACTORS

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

Credit risk

The Company's credit risk is primarily attributable to amounts receivable and a loan receivable. The Company has no significant credit risk arising from operations. Financial instruments included in amounts receivable consist primarily of goods and services tax due from the Federal Government of Canada. The loan receivable is described in Note 6 and is secured by all assets of the borrower. Management believes that the credit risk with respect to these financial instruments is remote.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient cash to meet liabilities when due. As at July 31, 2009, the Company had a cash and cash equivalents balance of $4,735,325 (October 31, 2008 - $6,010,365) to settle current liabilities of $130,486 (October 31, 2008 - $298,948). All of the Company's financial liabilities have contractual maturities of less than one year and are subject to normal trade terms. The Company's ability to continue operations and fund its business is dependant on management's ability to secure additional financing. It is anticipated that the Company will continue to rely on equity financing to meet its ongoing working capital requirements. On the basis of the Company's current cash position, management of the Company believes that it has sufficient funds to complete a 2009 exploration program, pay its ongoing administrative expenses and to meet its existing liabilities until the next fiscal year end, October 31, 2009. In the current global economic and liquidity crisis, management will carefully monitor its cash balances over the course of the next 12 to 24 months and may postpone material exploration expenses if the liquidity crisis does not improve, so as to protect the Company's working capital.

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11. FINANCIAL RISK FACTORS (Continued)

Market risk

a) Interest rate risk

The Company has cash balances and no interest bearing debt at July 31, 2009. The Company's current policy is to invest cash in investment-grade short-term deposit certificates issued by its banking institution. The Company periodically monitors the investments it makes and is satisfied with the credit rating of its bank. The Company considers interest rate risk to be minimal as investments are short-term, the Company does not carry interest bearing debt and it is expected that future financings will be secured from equity placements.

b) Foreign currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. Management believes that the foreign exchange risk from currency conversions is negligible.

As discussed in Note 4, the Company will act as operator of an exploration program in Uruguay. The Company has the option to spend $250,000 by June 1, 2010 and $750,000 by December 31, 2011, all in Canadian dollars. Management believes that the Company will not be subject to any material foreign currency risk related to this option.

c) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. The current global economic and liquidity crisis has had an adverse impact on the wholesale diamond price market. If such conditions are protracted they may have a significant negative impact on the economic viability of future diamond developments.

Sensitivity to Financial Risks

The Company has designated its cash equivalents as held-for-trading, measured at fair value. Amounts receivable and loan receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

The carrying amounts for cash equivalents, amounts receivable and accounts payable and accrued liabilities on the balance sheet approximate fair value because of the limited terms of these instruments. The fair value of the loan receivable approximates carrying value as the interest rate approximates the current rate for similar instruments. There were no changes in the nine months ended July 31, 2009 that occurred that were attributed to financial risks.

The Company considers interest rate risk to be minimal as investments are short-term, the loan receivable has a fixed interest rate and the Company does not carry interest bearing debt. It is expected that future financings will be secured from equity placements.

The Company does not hold any balances in foreign currencies to give rise to foreign exchange risk.

Price risk is remote since the Company is not a producing entity.