

AMI RESOURCES INC.

February 28, 2009

Consolidated Financial Statements

AUDITORS' REPORT

CONSOLIDATED BALANCE SHEETS

CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS AND ACCUMULATED OTHER
COMPREHENSIVE LOSS**

CONSOLIDATED STATEMENTS OF CASH FLOWS



**DALE MATHESON
CARR-HILTON LABONTE LLP**
DMCL CHARTERED ACCOUNTANTS

Partnership of:

Vancouver	Robert J. Burkart, Inc. Alvin F. Dale Ltd. Robert J. Matheson, Inc.	James F. Carr-Hilton Ltd. Barry S. Hartley, Inc. Rakesh I. Patel Inc.	Kenneth P. Chong Inc. Reginald J. LaBonte Ltd.
South Surrey	Michael K. Braun Inc.	Peter J. Donaldson, Inc.	
Port Coquitlam	Wilfred A. Jacobson Inc.	Fraser G. Ross, Ltd.	Brian A. Shaw Inc.

AUDITORS' REPORT

To the Shareholders of AMI Resources Inc.

We have audited the consolidated balance sheets of AMI Resources Inc. as at February 28, 2009 and February 29, 2008 and the consolidated statements of loss and deficit, comprehensive loss and accumulated other comprehensive loss and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2009 and February 29, 2008 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

“DMCL”

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED ACCOUNTANTS

June 19, 2009
Vancouver, Canada

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AMI RESOURCES INC.
(An Exploration Stage Company)
CONSOLIDATED BALANCE SHEETS

	Notes	As at February 28, 2009	As at February 29, 2008
ASSETS			
Current			
Cash and cash equivalents		\$ 194,266	\$ 440,301
Term deposits	2	3,030	503,324
Marketable securities	3	2,520	12,600
Prepaid expenses and deposits		3,776	26,666
Due from related parties	7	-	29,000
Other receivables and advances	7	5,724	5,108
		<u>209,316</u>	<u>1,016,999</u>
EQUIPMENT	4	67,139	96,751
MINERAL PROPERTIES AND DEFERRED COSTS	5	4,329,325	4,231,516
		<u>\$ 4,605,780</u>	<u>\$ 5,345,266</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		\$ 34,522	\$ 218,917
Due to related parties	7	62,658	59,124
		<u>97,180</u>	<u>278,041</u>
Shareholders' equity			
Share capital	6	6,543,554	6,543,554
Contributed surplus	6	2,564,484	2,274,769
Accumulated other comprehensive loss		(10,530)	(450)
Deficit		(4,588,908)	(3,750,648)
		<u>4,508,600</u>	<u>5,067,225</u>
		<u>\$ 4,605,780</u>	<u>\$ 5,345,266</u>

Nature of operations and going concern (Note 1)

Commitments (Note 8)

Subsequent events (Note 13)

On behalf of the Board:

/s/ Dustin A. Elford

Director

/s/ William C. Pettigrew

Director

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

AMI RESOURCES INC.
(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT

	Notes	For the year ended February 28, 2009	For the year ended February 29, 2008
EXPENSES			
Amortization		\$ 29,612	\$ 35,727
Director fees	7	60,000	64,000
Foreign exchange (gain) loss		(22,740)	68,126
Investor relations		69,629	109,173
Management fees	8	240,000	235,000
Office and general	7	44,465	51,130
Professional fees	7	45,756	52,689
Stock-based compensation	6	289,714	612,649
Transfer agent and filing fees		21,349	16,809
Travel and promotion		31,221	81,567
Impairment of mineral property	5	39,045	-
LOSS BEFORE INVESTMENT INCOME		(848,051)	(1,326,870)
Interest income		9,791	48,968
NET LOSS FOR THE YEAR		(838,260)	(1,277,902)
DEFICIT, BEGINNING		(3,750,648)	(2,472,746)
DEFICIT, ENDING		\$ (4,588,908)	\$ (3,750,648)
BASIC AND DILUTED LOSS PER COMMON SHARE		\$ (0.03)	\$ (0.04)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING		32,202,036	31,480,865

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

AMI RESOURCES INC.

(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS AND ACCUMULATED OTHER COMPREHENSIVE LOSS

	For the year ended February 28, 2009	For the year ended February 29, 2008
Net loss for the year	\$ (838,260)	\$ (1,277,902)
Unrealized loss on available for sale securities	<u>(10,080)</u>	<u>(450)</u>
Comprehensive loss for the year	\$ (848,340)	\$ (1,278,352)
Accumulated other comprehensive loss, beginning of year	\$ (450)	\$ -
Unrealized loss on available for sale securities	<u>(10,080)</u>	<u>(450)</u>
Accumulated other comprehensive loss, end of year	\$ (10,530)	\$ (450)

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

AMI RESOURCES INC.
(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ended February 28, 2009	For the year ended February 29, 2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the year	\$ (838,260)	\$ (1,277,902)
Items not affecting cash:		
Stock-based compensation	289,714	612,649
Amortization	29,612	35,727
Accrued interest on term deposit	(1,105)	(11,459)
Impairment of mineral property	39,045	-
	<u>(480,994)</u>	<u>(640,985)</u>
Net change from non-cash working capital items	<u>(128,481)</u>	<u>196,148</u>
Net cash used in operating activities	<u>(609,475)</u>	<u>(444,837)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	-	(59,540)
Redemption of term deposit	500,294	1,521,171
Acquisition of marketable securities	-	(13,050)
Mineral property acquisition and exploration	(136,854)	(1,344,223)
	<u>363,440</u>	<u>104,538</u>
Net cash provided by investing activities	<u>363,440</u>	<u>104,538</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares issued for cash	-	463,981
	<u>-</u>	<u>463,981</u>
Net cash provided by financing activities	<u>-</u>	<u>463,981</u>
Increase (decrease) in cash	(246,035)	123,502
Cash and cash equivalents, beginning of year	440,301	316,799
Cash and cash equivalents, end of year	\$ 194,266	\$ 440,301
Cash and cash equivalents consists of:		
Cash	\$ 106,066	\$ 154,302
Guaranteed Investment Certificate	88,200	285,999
	<u>\$ 194,266</u>	<u>\$ 440,301</u>

Supplemental disclosure with respect to cash flows (Note 10)

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

AMI RESOURCES INC.

Notes to the Consolidated Financial Statements
February 28, 2009

1. Nature of Operations and Going Concern

AMI Resources Inc. (the "Company") is a mineral exploration company focusing on gold exploration in West Africa. The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of amounts recorded for mineral properties and related deferred costs are dependent upon the discovery of economically recoverable reserves.

The ability of the Company to continue to operate as a going concern is dependent on its ability to ultimately operate its business at a profit. To date, the Company has not generated revenues from operations and will require additional funds to meet its obligations and the costs of its operations. Further losses are anticipated prior to the generation of any operating revenues or profits.

The Company's future capital requirements will depend on many factors, including the costs of exploring its mineral properties, operating costs, competitive environment and global market conditions. The Company's anticipated operating losses and increasing working capital requirements will require that it obtain additional capital to continue operations in the future.

The Company will depend almost exclusively on outside capital. Such outside capital will include the sale of additional shares. There can be no assurance that capital will be available as necessary to meet ongoing commitments and to fund continuing exploration and development costs or, if the capital is available, that it will be on terms acceptable to the Company. The issuances of additional equity securities by the Company may result in significant dilution to the equity interests of its current shareholders. Obtaining commercial loans, assuming those loans would be available, will increase the Company's liabilities and future cash commitments. The global economic collapse of 2008 and the ensuing recession has severely restricted the ability of junior resource companies to raise equity financing which casts significant doubt on the Company's ability to continue to raise necessary funding to continue its exploration activities. If the Company is unsuccessful in raising adequate financing, exploration activities will be postponed until market conditions improve. The financial statements do not reflect adjustments to the carrying values of assets, liabilities or reported results should the Company be unable to continue as a going concern.

2. Significant Accounting Policies

(a) Basis of presentation

These consolidated financial statements are presented in accordance with generally accepted accounting principles ("GAAP") applicable in Canada. These consolidated financial statements include the accounts of the Company and of its wholly-owned subsidiary, AMI Africa Exploration Ltd. ("AMI Africa"), incorporated in British Columbia. All inter-company transactions and balances have been eliminated upon consolidation.

(b) Use of estimates

The preparation of financial statements in conformity 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 period. Actual results could differ from these estimates. Significant areas requiring the use of management estimates relate to the determination and measurement of recoverable values of mineral property interests, the determination of future income taxes and the determination of fair value for stock based transactions. Where estimates have been used financial results as determined by actual events could differ from those estimates.

AMI RESOURCES INC.

Notes to the Consolidated Financial Statements
February 28, 2009

2. Significant Accounting Policies (continued)

(c) Cash and cash equivalents

Cash equivalents consist of highly liquid investments which are readily convertible into cash with maturities of three months or less when purchased.

(d) Short term investments

Short-term investments consist of highly liquid Canadian and United States dollar denominated term deposits with terms to maturity greater than ninety days, but not more than one year, that are readily convertible to contracted amounts of cash. Short-term investments are classified as held-for-trading and are recorded at fair value with realized and unrealized gains and losses reported in net income (loss). At February 29, 2009 the Company's short term investments consist of a term deposit, held by a major bank, in the principal amount of \$3,000 (2008 - \$500,000), bearing interest at 2.1% per annum and maturing on June 16, 2009.

(e) Future income taxes

Future income taxes are recorded using the asset and liability method whereby future income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment or enactment occurs. To the extent that the Company does not consider it to be more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

(f) Mineral properties

The Company is in the exploration and development stages and defers all expenditures related to its mineral properties until such time as the property is put into commercial production, sold, abandoned or management has determined it to be impaired. Under this method, the amounts reported represent costs incurred to date less amounts amortized and/or written off, and do not necessarily represent present or future values.

If the property is put into commercial production, the expenditures will be depleted based upon the proven reserves available. If the property is sold, abandoned or impaired, then the expenditure will be charged to operations. The Company does not accrue the estimated future costs of maintaining its mineral properties in good standing.

In the event that reserves are determined, the carrying values of a mineral property interest, on a property-by-property basis, will be reviewed by management at least annually to determine if they have become impaired. If impairment is deemed to exist, then the mineral property will be written down to its net recoverable value. The ultimate recoverability of the amounts capitalized is dependent upon the identification of economically recoverable ore reserves, the Company's ability to obtain the necessary financing to complete their development and to realize profitable production and proceeds from the disposition thereof. Management's estimates of recoverability of the Company's investment will be based on current conditions. However, it is possible that changes could occur in the near term, which could adversely affect management's estimates and may result in future write-downs of the capitalized property carrying values.

AMI RESOURCES INC.

Notes to the Consolidated Financial Statements
February 28, 2009

2. Significant Accounting Policies (continued)

(g) Foreign currency translation

The Company's reporting currency is the Canadian dollar. Transactions are translated into Canadian dollar equivalents as follows:

- a) Monetary items at the rate prevailing at the balance sheet date;
- b) Non-monetary items at the historical exchange rate;
- c) Revenue and expenses at the average exchange rate for the period;
- d) Gains or losses arising on translation are included in earnings or loss.

(h) Equipment

Automobiles, computers and office equipment are recorded at cost less accumulated amortization. Automobiles and computers are amortized at rates of 30% to 45% per year and office equipment at a rate of 20% per year using the declining balance method.

(i) 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 common share is recognized from 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. Diluted loss per common share is equal to basic loss per share for the years ended February 28, 2009 and February 29, 2008 as the effects of conversion is anti-dilutive.

Basic and diluted loss per common share are calculated using the weighted average number of shares outstanding during the year.

(j) Stock-based compensation

All stock-based awards made to employees and non-employees are measured and recognized using a fair value based method. Accordingly, the fair value of the options at the date of the grant is accrued and charged to operations, with the offsetting credit to contributed surplus, on a straight-line basis over the vesting period. If and when the stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to share capital.

(k) Asset retirement obligations

The Company recognizes the fair value of liabilities for asset retirement obligations in the period in which a reasonable estimate of such costs can be made. The asset retirement obligation is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement cost is allocated to expenses using a systematic and rational method and is also adjusted to reflect period-to-period changes in the liability resulting from passage of time and revisions to either timing or the amount of the original estimate of the undiscounted cash flow. As at February 28, 2009, the Company did not have any readily determinable asset retirement obligations.

AMI RESOURCES INC.

Notes to the Consolidated Financial Statements
February 28, 2009

2. Significant Accounting Policies (continued)

(l) Comprehensive Income (Loss)

Section 1530 establishes standards for reporting and presenting comprehensive income (loss), which is defined as the change in equity from transactions and other events from non owner sources. Other comprehensive income (loss) refers to items recognized in comprehensive income (loss) that are excluded from net income (loss) calculated in accordance with generally accepted accounting principles. The Company's other comprehensive income (loss) represents changes in shareholders' equity arising from unrealized gains and losses on financial assets classified as available-for-sale.

(m) Financial Instruments

Handbook Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. The Company has included disclosures recommended by the new Handbook sections in Note 11 to these financial statements

The Company's financial instruments consist of cash and cash equivalents, term deposits, other receivables, marketable securities, notes receivable, accounts payable and accrued liabilities, and amounts due to related parties. The value of the Company's arm's length short term financial instruments is estimated by management to approximate their carrying values due to their immediate or short-term maturity. The fair value of amounts due to related parties has not been determined as comparable arms-length interest, security and risk information is not determinable.

On adopting these standards, the Company designated its cash and cash equivalents, and term deposits as held-for-trading, which are measured at fair value. Marketable securities are designated as available for sale which are measured at fair value. Receivables are classified under loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities, and due to related parties are classified as other financial liabilities, which are measured at amortized cost.

(n) Capital Disclosures

The new standard is effective for annual and interim periods beginning on or after October 1, 2007 and requires disclosure of the Company's objectives, policies, and processes for managing capital; quantitative data about what the Company regards as capital; whether the Company has complied with any capital requirements; and, if the Company has not complied, the consequences of such non-compliance. The new accounting standard covers disclosure only and has had no effect on the financial results of the Company. Refer to Note 12.

(o) Recently adopted accounting policies

On January 1, 2008 the Company adopted Section 1506, "Accounting Changes". This section prescribes the criteria for changing accounting policies, together with the accounting treatment and disclosure of changes in accounting policies, changes in accounting estimates and corrections of errors. This section is intended to enhance the relevance and reliability of an entity's financial statements and the comparability of those financial statements over time and with the financial statements of other entities. Adoption of these standards did not affect the Company's financial results.

AMI RESOURCES INC.

Notes to the Consolidated Financial Statements
February 28, 2009

2. Significant Accounting Policies (continued)

(o) Recently adopted accounting policies (continued)

The CICA accounting standards board amended section 1400, "General Standards of Financial Statement Presentation" to include requirements for management to assess and disclose an entity's ability to continue as a going concern. This section applies to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008. The adoption of this amendment did not have an impact on the consolidated financial statements.

In January 2009, the CICA approved Emerging Issues Committee ("EIC") 173, Credit Risk and the Fair Value of Financial Assets and Liabilities. This guidance clarified 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 guidance is applicable to fiscal periods ending on or after January 12, 2009. The adoption of this guidance did not have an impact on the consolidated financial statements.

In March 2009 the CICA approved EIC 174, Mining Exploration Costs. The guidance clarified that an enterprise that has initially capitalized exploration costs has an obligation in the current and subsequent accounting periods to test such costs for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. The guidance is applicable to financial statements issued after March 27, 2009. The adoption of this guidance did not have an impact on the consolidated financial statements.

(p) New Accounting Standards Not Yet Adopted

International Financial Reporting Standards

In January 2006, the AcSB adopted a strategic plan for the direction of accounting standards in Canada. Accounting standards for public companies in Canada are expected to converge with International Financial Reporting Standards ("IFRS") over a transition period ending January 1, 2011. The impact of the transition to IFRS on the Company's financial statements has yet to be determined.

During 2009, the Company will assess its requirements and first time adoption methodologies, including its internal training and resource needs. The Company expects that by the first quarter of 2010 management will have assessed conversion and first time adoption implications. During 2010 additional disclosures and analysis of impacts will be provided leading up to adoption in the first quarter of 2011.

Goodwill and Intangible Assets

As of March 1, 2009, the Company will be required to adopt the CICA Handbook Section 3064, "Goodwill and Intangible Assets", which will replace the existing Goodwill and Intangible Assets standard. The new standard revises the requirements for the recognition, measurement, presentation and disclosure of intangible assets. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

Business Combination, Non-Controlling Interest, and Consolidation

In January 2009, the CICA issued Handbook Sections 1582, Business Combination ("Section 1582"), 1601, Consolidated Financial Statements. ("Section 1601") and 1602, Non-controlling Interests, ("Section 1602") which replaces CICA Handbook Sections 1581, Business Combinations, and 1600, Consolidated Financial Statements. Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations and acquisition dates on or after January 1, 2011. Early adoption of this section is permitted. Section 1601 is applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning January 1, 2011. Early adoption of this section is permitted. If the Company chooses to adopt any one of these sections, the other sections must also be adopted at the same time.

AMI RESOURCES INC.

Notes to the Consolidated Financial Statements

February 28, 2009

3. Marketable Securities

Marketable securities consist of 2,400 common shares of Sherwood Copper Corp. ("Sherwood") that were acquired in 2007 through the exercise of share purchase warrants at \$5.44 per share. Sherwood is a publicly traded company on the TSX Venture Exchange. The Sherwood shares have been designated as an available for sale investment with a fair value of \$2,520 on February 28, 2009. The Company recorded an unrealized loss of \$10,080 (2008 - \$450) in other comprehensive loss at February 28, 2009.

4. Equipment

	February 28, 2009			February 29, 2008		
	Cost	Accumulated amortization	Net book value	Cost	Accumulated amortization	Net book value
Office equipment	\$ 57,995	\$ 38,855	\$ 19,140	\$ 57,995	\$ 29,995	\$ 28,000
Automobiles	95,094	47,095	47,999	95,094	26,343	68,751
	<u>\$153,089</u>	<u>\$ 85,950</u>	<u>\$ 67,139</u>	<u>\$153,089</u>	<u>\$ 56,338</u>	<u>\$ 96,751</u>

5. Mineral Properties

Mineral Property Expenditures:

	North Ashanti	Golden Reef	Total
Balance at February 28, 2007	\$ 2,887,293	\$ -	\$ 2,887,293
Acquisition costs incurred:	-	17,082	17,082
Exploration costs incurred:			
Assays	83,929	-	83,929
Concession fees	7,765	-	7,765
Drilling	886,809	-	886,809
Field and camp costs	68,895	-	68,895
Geologist fees	94,411	10,630	105,041
Project administration	45,646	-	45,646
Travel and accommodation	129,056	-	129,056
	<u>1,316,511</u>	<u>10,630</u>	<u>1,327,141</u>
Balance at February 29, 2008	4,203,804	27,712	4,231,516
Acquisition costs incurred	-	-	-
Exploration costs incurred:			
Assays	2,378	-	2,378
Drilling (recovery)	(9,392)	-	(9,392)
Field and camp costs	53,334	1,818	55,152
Geologist fees	15,674	9,515	25,189
Maps and reports	25,026	-	25,026
Project administration	12,200	-	12,200
Soil geochemistry	4,772	-	4,772
Travel and accommodation	21,529	-	21,529
Impairment	-	(39,045)	(39,045)
	<u>125,521</u>	<u>(27,712)</u>	<u>97,809</u>

AMI RESOURCES INC.

Notes to the Consolidated Financial Statements
February 28, 2009

Balance at February 28, 2009	\$ 4,612,256	\$ -	\$ 4,329,325
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AMI RESOURCES INC.

Notes to the Consolidated Financial Statements
February 28, 2009

5. Mineral Properties (continued)

North Ashanti Gold Project

The North Ashanti Gold Project consists of the Beposo and Anuoro prospecting licenses consisting of approximately 162km². AMI Africa is the registered holder of these two prospecting licenses. These concessions are subject to a 10% interest held by the Ghanaian Government.

AMI Africa was granted the 33.35 sq km Beposo Concession on April 22, 2004. Since 2004 AMI Africa has received several extensions of the Beposo license. The Minerals Commission has recommended a one-year renewal of the license; however, AMI Africa has appealed to the Minister of Natural Resources for the grant of a two-year extension instead of the one-year. AMI Africa remains the registered holder of the Beposo Concession.

AMI Africa was granted the 128.9 sq km Anuoro Concession on September 28, 2005. AMI Africa has received several extensions with the latest extension up for renewal on May 29, 2009. AMI Africa has made a formal application to the Minister of Natural Resources for a three-year renewal as opposed to the 1-year extension recommended by the Minerals Commission. AMI Africa is awaiting a response to this request and AMI Africa remains the registered holder of the Anuoro Concession.

Golden Reef

Effective July 18, 2007, AMI Africa entered into an option agreement with Golden Reef Resources Ltd. to acquire a 100% interest in the Golden Reef property located in Ghana in exchange for USD\$16,500 (paid) within 15 days of execution of the agreement and a further USD\$100,000 by August 1, 2008. Golden Reef would retain a 2% net smelter royalty ("NSR") which could be purchased at any time for USD\$500,000. The property would be subject to a 10-per-cent carried interest by the government of Ghana. AMI Africa did not exercise the option agreement and has impaired all costs associated with this project for the year ended February 28, 2009.

Obuom

The Company entered into a letter agreement dated September 14, 2007 with Golden Star Resources Ltd. ("GSRL") to purchase GSRL's 54% interest in its application for a prospecting license for the Obuom property, Ghana, in exchange for up to 2,850,000 common shares of the Company and granting a 2% NSR. The interest may be in the form of a 54% direct interest in the property; through the issuance of a prospecting license for the property, or through the holding of 54% of the shares of Obuom Goldfields Ltd. (a company owned by GSRL and Edward Boohene). Upon the issue of a license by the Ghanaian Ministry of Mines and Forestry the Company must issue 1,850,000 common shares to GSRL. The remaining 1,000,000 shares will be issued upon delineation of at least 200,000 ounces of gold. Valid licenses and permits were not obtained by the March 31, 2009 deadline, and subsequent to February 28, 2009 the agreement was extended by both parties to March 31, 2010.

AMI Africa entered into a letter agreement dated July 17, 2007 with Edward Boohene and Centre Properties Ltd. (a Ghanaian corporation) to purchase their 46% interest in the Obuom property by paying US\$250,000 on execution of a definitive agreement and receipt of a valid license and required permits, US\$750,000 upon completion of a bankable feasibility study, and granting a 2.5% NSR. Any portion of the 2.5% NSR can be purchased by AMI Africa at any time upon payment of USD\$1,000,000 for each 1% of the NSR.

Upon completion, the Company would own a 100-per-cent interest in Obuom, subject to a 10-per-cent carried interest by the government of Ghana. Both of these agreements are subject to the receipt of valid licenses and permits from the Ghanaian government which to February 28, 2009 have not been received. Accordingly, no consideration is payable under these agreements.

AMI RESOURCES INC.

Notes to the Consolidated Financial Statements
February 28, 2009

6. Share Capital**Authorized**

Unlimited common shares without par value
Unlimited preferred shares without par value

	Shares	Value	Contributed Surplus
Common shares issued:			
Balance at February 28, 2007	30,786,511	\$ 5,891,896	\$ 1,849,797
Issued during the year:			
- for cash by share purchase warrants exercised at \$0.25	161,525	40,381	-
- for cash by share purchase warrants exercised at \$0.40	734,000	293,600	-
- fair value of share purchase warrants exercised	-	47,980	(47,980)
- for cash by stock options exercised at \$0.25 per share	520,000	130,000	-
- fair value of stock options exercised	-	139,697	(139,697)
- stock based compensation	-	-	612,649
Balance at February 29, 2008	32,202,036	6,543,554	2,274,769
Issued during the year:			
- stock based compensation	-	-	289,715
Balance at February 28, 2009	32,202,036	\$ 6,543,554	\$ 2,564,484

Share purchase warrants

At February 28, 2009, the Company had no outstanding warrants. A summary of the Company's outstanding warrants as of February 28, 2009 are as follows:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Life Remaining (Years)	Weighted Average Grant Date Fair Value
Balance, February 28, 2007	14,709,300	\$ 0.39	1.90	0.05
Issued	161,525	0.40		0.05
Exercised	(895,525)	0.36		0.05
Expired	(2,575,300)	0.40		0.05
Balance, February 29, 2008	11,400,000	0.38	0.81	0.05
Expired	(11,400,00)	0.38		0.05
Balance, February 28, 2009	-	-	-	-

AMI RESOURCES INC.

Notes to the Consolidated Financial Statements
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6. Share Capital (continued)**Incentive stock options**

At February 28, 2009 the Company had outstanding incentive stock options to directors and employees entitling the holders to purchase an aggregate of 3,500,000 common shares as follows:

Options	Exercise Price	Expiry Date
650,000	\$ 0.15	March 28, 2011
550,000	\$ 0.15	March 19, 2012
200,000	\$ 0.15	May 31, 2012
<u>2,100,000</u>	\$ 0.15	October 2, 2012
<u>3,500,000</u>		

A summary of the Company's stock options as of February 28, 2009 and changes during the period are as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Life Remaining (Years)	Weighted Average Grant Date Fair Value
Balance, February 28, 2007	2,745,000	\$ 0.27	2.06	0.28
Granted	3,400,000	0.35	5.00	0.24
Cancelled	(800,000)	0.38	-	0.26
Exercised	(520,000)	0.25	-	0.27
Expired	(1,175,000)	0.25	-	0.34
Balance, February 28, 2008	3,650,000	0.34	4.22	0.23
Cancelled	(150,000)	0.15		
Balance, February 28, 2009	<u>3,500,000</u>	<u>\$ 0.15</u>	<u>3.21</u>	<u>0.23</u>

During the year ended February 28, 2009, the Company re-priced all 3,650,000 stock options previously granted in 2006 and 2007 to \$0.15 per share. The fair value of the re-priced options was determined to be \$25,087. This value was estimated using the Black-Scholes option pricing model assuming an average expected remaining life of 2.49 - 4.32 years, a risk-free interest rate of approximately 3%, a nil dividend yield and an expected volatility of 94%. Subsequent to February 28, 2009, the Company repriced 2,400,000 options from \$0.15 to \$0.10 (Note 13).

During the year ended February 29, 2008, the Company granted 550,000 stock options exercisable at a price of \$0.40 per share with a fair value of \$147,168 which was estimated using the Black-Scholes option pricing model assuming an expected life of 4.07 years, a risk-free interest rate of 4.00%, a nil dividend yield and an expected volatility of 91%. These options fully vested and the Company recorded a stock based compensation expense of \$147,168 during the year ended February 29, 2008.

During the year ended February 29, 2008, the Company granted 250,000 stock options exercisable at a price of \$0.40 per share with a fair value of \$65,894 which was estimated using the Black-Scholes option pricing model assuming an expected life of 4.07 years, a risk-free interest rate of 4.50%, a nil dividend yield and an expected volatility of 92%; these options were subject to a nine month vesting term from date of grant. These options fully vested and the Company recorded a stock based compensation expense of \$65,894 during the year ended February 29, 2008.

AMI RESOURCES INC.

Notes to the Consolidated Financial Statements
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6. Share Capital (continued)

Incentive stock options (continued)

During the year ended February 29, 2008, the Company granted 2,600,000 stock options exercisable at a price of \$0.34 per share with a fair value of \$595,413 which was estimated using the Black-Scholes option pricing model assuming an expected life of 4.07 years, a risk-free interest rate of 4.25%, a nil dividend yield and an expected volatility of 91%; these options were subject to a nine month vesting term from date of grant. \$330,785 was expensed during the year ended February 29, 2008. These options fully vested during 2009 and the Company recorded a stock based compensation expense of \$264,628 during the year ended February 28, 2009.

7. Related Party Transactions

The Company incurred the following related party transactions:

Related Party	Nature of Transaction	Expense Item	2009	2008
			\$	\$
Director	Legal fees	Professional fees	Nil	2,449
Company Controlled by Common Directors	Office space charge	Office and general (recovery)	(22,000)	(16,000)

The following balances are owing to or from related parties as at the year ended February 28:

Related Party	Nature of Transaction	Account Item	2009	2008
			\$	\$
Officers	Management fees	Due to related party	31,500	21,000
Directors	Director fees	Due to related party	25,000	10,000
Directors	Expenses incurred on behalf of the Company	Accounts payable	6,158	21,537
Officers	Travel advance	Other receivables	1,000	Nil
Director	Option exercise	Due from related party	Nil	25,000
Company Controlled by Common Directors	Office space charge	Due from related party	Nil	4,000

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 by the related parties.

8. Commitments

- The Company entered into a lease agreement for office space at a monthly cost of \$3,286 until June, 2011.
- The Company entered into a management contracts with a private companies controlled by the Chief Executive Officer and the Chief Financial Officer. The contracts have a term of two years commencing March 1, 2008 and provides for aggregate compensation of \$10,000 per month for each contract.
- Pursuant to the agreements between the Company and GSRL and Edward Boohene and Centre Properties Ltd.; upon receipt of valid licenses and permits relating to the Obuom property, the Company is committed to fulfill certain contractual obligations described in Note 5.

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9. Future Income Taxes

The actual income tax provisions differ from the expected amounts calculated by applying the Canadian combined federal and provincial corporate statutory income tax rates to the Company's loss before income taxes. The components of these differences are as follows:

	<u>2009</u>	<u>2008</u>
Loss before income taxes	\$ (838,260)	\$ (1,277,902)
Corporate statutory rate	31.0%	33.6%
Expected tax recovery	(259,860)	(429,631)
Increase (decrease) resulting from:		
Permanent differences	90,467	205,973
Items deductible for tax purposes	(17,994)	(3,584)
Expiring losses and other differences	36,598	-
Impact of tax rate changes	97,427	-
Change in valuation allowance	53,362	239,592
Effective income tax provision	<u>\$ -</u>	<u>\$ -</u>

The significant components of the Company's tax effected future income tax assets and liabilities are as follows:

	<u>2009</u>	<u>2008</u>
Resource deductions in excess of book value	\$ 131,364	\$ 159,003
Non-capital losses carry-forward	759,419	672,832
Tax basis of investments in excess of book value	2,694	119
Share issuance costs	29,684	45,275
Equipment	16,007	8,577
Potential future income tax assets	939,1668	885,806
Less: valuation allowance	(939,168)	(885,806)
Net future income tax asset	<u>\$ -</u>	<u>\$ -</u>

The Company has non-capital loss carryforwards of approximately \$2,257,000 (2008 - \$1,704,000) which can be applied to reduce future taxable income, expiring as follows:

<u>Year</u>	<u>Amount \$</u>
2010	223,144
2014	150,232
2015	200,894
2026	167,806
2027	308,515
2028	453,904
2029	586,664
2030	166,103
	<u>2,257,262</u>

In addition, as at February 28, 2009 the Company has cumulative foreign exploration and development expenditures amounting to approximately \$4,843,000 that may be available to reduce future taxable income. These can be carried forward indefinitely.

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Notes to the Consolidated Financial Statements
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9. Future Income Taxes (continued)

Due to the uncertainty of realization of these loss carry-forwards and resource tax pools, the benefits are not reflected in the financial statements as the Company has provided a full valuation allowance for the future tax assets resulting from these items.

10. Supplemental Cash Flow Information

	2009	2008
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -

11. Financial Instruments

Overview

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors approves and monitors the risk management processes.

Credit risk

The Company's exposure to credit risk is on its cash and cash equivalents, and short term investment.

The short term investment consists of a Government Insured Certificate with a 1 year term bearing interest at prime less 2.5%.

The Company manages the credit exposure related to short-term deposits and short term investment by selecting counter parties based on stability of the counter party and avoids complex investment vehicles with higher risk.

The carrying amount of cash and cash equivalents, and short term investment represents the maximum credit exposure. This risk is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies.

Liquidity risk

The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash, cash equivalents and short term investment. The Company's cash and cash equivalents are invested in business accounts and short term interest bearing instruments and are available on demand.

Market risk

The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rate. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. The Company is exposed to interest rate fluctuations on its short-term interest bearing instruments as they are based on floating rates of interest.

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12. Capital Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the development of its properties and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or acquire or dispose of assets. In order to maximize ongoing development efforts, the Company does not pay out dividends.

The Company expects it will need to raise capital to continue operations through its next fiscal year. There were no changes in the Company's approach to capital management during the year ended February 28, 2009. The Company is not subject to externally imposed capital requirements.

13. Subsequent Events

Subsequent to February 28, 2009, the Company completed a non-brokered private placement of 5 million Units at the price of \$0.05 per unit, for maximum gross proceeds of \$250,000.

The Units are comprised of one common share and one share purchase warrant (the "Warrants"). Each Warrant shall entitle the holder to purchase an additional common share of the Company at a price of \$0.10 per share for a period of one year from the date of closing. If after four months and one day following the closing and until the expiry date of the Warrants, the closing price of the Company's shares exceeds \$0.30 for 10 consecutive days, the Company will be able to accelerate the expiry of the Warrants to the date that is 30 days after the notice of the new expiry date is provided to the holders of the Warrants.

Subsequent to February 28, 2009, the Company granted 250,000 stock options to a director of the Company at an exercise price of \$0.10 and an expiry date three years from the date of grant. The transaction is subject to regulatory approval.

Subsequent to February 28, 2009, the Company repriced 2,400,000 stock options previously granted in 2006 and 2007 from \$0.15 to \$0.10. The transaction is subject to regulatory approval.