

ICS COPPER SYSTEMS LTD.

CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2009
(Expressed in Canadian Dollars)

These unaudited financial statements for the periods ended April 30, 2009 have not been reviewed by the Company's auditor.

ICS COPPER SYSTEMS LTD

Notice of No Auditor Review of Interim Financial Information

Pursuant to subsection 4.3(3)(a) of Part 4 of National Instrument 51-102 Continuous Disclosure Obligations, if an auditor has not performed a review of interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been so reviewed.

The accompanying unaudited interim financial statements of ICS Copper Systems Ltd (the "Company") for the period ending April 30, 2009 have been prepared by and are the responsibility of the Company's management.

The Company's independent auditors have not performed a review of these financial statements.

"Graham A Chisholm"
(signed)

President and Chief Executive Officer

June 18, 2009

ICS COPPER SYSTEMS LTD.
CONSOLIDATED BALANCE SHEETS
(Expressed in Canadian Dollars)

	April 30 2009	July 31 2008
	(Unaudited)	
ASSETS		
Current		
Cash	\$ 12,840	\$ 347,690
Short-term investments	143,719	1,378,502
Taxes receivable	50,291	116,028
Accounts receivable	210	9,573
Inventory	-	13,182
Prepaid expenses	8,580	9,498
	<u>215,640</u>	<u>1,874,473</u>
Due from Related Party (Note 2)	43,250	80,000
Equipment	2,622,126	3,376,071
Mineral Properties (Note 3)	275,976	6,320,857
	<u>\$ 3,156,992</u>	<u>\$ 11,651,401</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 437,087	\$ 186,920
Due to related parties (Note 2)	180,000	200,000
	<u>617,087</u>	<u>386,920</u>
SHAREHOLDERS' EQUITY		
Share Capital (Note 4)	12,872,324	12,872,324
Contributed surplus (Note 4)	1,696,938	1,625,578
Deficit	(12,029,357)	(3,233,421)
	<u>2,539,905</u>	<u>11,264,481</u>
	<u>\$ 3,156,992</u>	<u>\$ 11,651,401</u>

Approved on behalf of the Board of Directors:

"G Chisholm"

Graham A. Chisholm, Director
President & Chief Executive Officer

"D A Fynn"

David A. Fynn, Director
Chief Financial Officer

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

ICS COPPER SYSTEMS LTD.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS AND DEFICIT

(Expressed in Canadian Dollars)

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	April 30		April 30	
	2009	2008	2009	2008
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Administrative Expenses				
Amortization	\$ 1,647	\$ 2,419	\$ 5,356	\$ 7,500
Consulting fees	37,290	7,000	40,677	11,486
Exchange (gain) loss	10,727	(135,687)	246,793	3,408
Insurance	2,896	15,000	10,458	15,000
Interest and bank charges	2,659	2,944	7,275	14,295
Investor relations and promotion	2,034	43,165	27,170	147,934
Management fees	21,270	42,750	121,770	137,875
Mineral property expenses	-	22,196	-	22,196
Office	1,369	3,940	2,702	20,757
Professional fees	31,457	1,831	102,695	53,943
Rent and utilities	6,291	5,468	19,891	18,156
Salaries and employee benefits	23,827	32,854	88,324	103,818
Stock-based compensation	-	94,292	71,360	94,292
Telecommunications	2,193	7,413	7,581	27,792
Travel and accommodation	9,684	10,483	20,328	73,570
	\$ 153,344	\$ 156,068	\$ 772,380	\$ 752,022
Loss before other income (expense)	(153,344)	(156,068)	(772,380)	(752,022)
Other income (expense)				
Interest income	492	29,176	11,491	160,588
Abandonment of Mokambo property	(90,398)	-	(8,035,047)	-
	\$ (89,906)	\$ 29,176	\$ (8,023,556)	\$ 160,588
Net Loss & Comprehensive Loss For The Period	(243,250)	(126,892)	(8,795,936)	(591,434)
Deficit, Beginning of Period	\$ (11,786,107)	\$ (2,807,924)	(3,233,421)	(2,343,382)
Deficit, End of Period	\$ (12,029,357)	\$ (2,934,816)	\$ (12,029,357)	\$ (2,934,816)
Net Loss Per Share, Basic and diluted	\$ (0.01)	\$ (0.00)	\$ (0.30)	(0.02)
Weighted Average Number Of Shares Outstanding, Basic and Diluted	29,713,869	26,963,869	29,713,869	26,963,869

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

ICS COPPER SYSTEMS LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS (Expressed in Canadian Dollars)

	THREE MONTHS ENDED APRIL 30		NINE MONTHS ENDED APRIL 30	
	2009	2008	2009	2008
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cash Provided By (Used In)				
Operating Activities				
Loss for the period	\$ (243,250)	\$ (126,892)	\$ (8,795,936)	\$ (591,434)
Items not affecting cash:				
Amortization	1,647	2,419	5,356	7,500
Stock-based compensation	-	94,292	71,360	94,292
Abandonment of Mokambo property	(34,452)	-	7,910,197	-
	(276,055)	(30,181)	(809,023)	(489,642)
Changes in non-cash operating assets and liabilities:				
Accounts receivable	21,270	(111,724)	9,363	(38,934)
Taxes receivable	29,006	(7,201)	65,737	21,271
Accounts payable and accrued liabilities	(10,195)	(69,326)	250,167	18,927
Inventory	13,182	-	13,182	-
Prepaid expenses	(6,854)	-	918	-
	(229,646)	(218,432)	(469,656)	(488,378)
Investing Activities				
Short-term investments	161,940	1,670,823	1,234,783	5,265,163
Acquisition of equipment, net	5,657	(323,425)	(368,152)	(1,156,385)
Acquisition of mineral properties	(32,135)	(1,064,106)	(748,575)	(3,387,899)
	135,462	283,292	118,056	720,879
Financing Activities				
Advances and repayments to related parties	-	-	16,750	(250,000)
	-	-	16,750	(250,000)
Increase (Decrease) In Cash	(94,184)	64,860	(334,850)	(17,499)
Cash, Beginning Of Period	107,024	211,717	347,690	294,076
Cash, End Of Period	\$ 12,840	\$ 276,577	\$ 12,840	\$ 276,577

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

ICS COPPER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

APRIL 30, 2009

(Expressed in Canadian Dollars)

(Information as at April 30, 2009 and for the nine month period ended April 30, 2009 is unaudited)

1. BASIS OF PRESENTATION

The interim financial statements of ICS Copper Systems Ltd (the "Company") have been prepared in accordance with accounting principles generally accepted in Canada. The interim financial statements have been prepared following the same accounting policies and methods of computation as the audited financial statements for the fiscal year ended July 31, 2008. The interim financial statements should be read in conjunction with the audited financial statements and the notes thereto for the year ended July 31, 2008.

Results of operations for the interim period are not necessarily indicative of annual results.

2. DUE TO RELATED PARTIES AND RELATED PARTY TRANSACTIONS

The Company had the following amounts due to related parties as of April 30, 2009 and July 31, 2008, and incurred the following transactions with related parties during the period ended April 30, 2009:

- a) Paid management and consulting fees to directors and officers of the Company in the amount of \$121,770 (2008 - \$137,875);
- b) Paid consulting fees related to mineral properties of \$37,000 (2008 - \$90,500) to a company owned by a former director;
- c) Reimbursed vehicle lease costs of a director and officer of the Company in the amount of \$5,537 (2008 - \$5,537);
- d) In 2006, the Company acquired mining equipment from a company controlled by a director and officer of the Company having a carrying value of \$555,944. The acquisition was financed by an unsecured 4.5% interest-bearing loan, with no fixed terms of repayment. Interest paid on the loan amounted to \$6,450 (2008 - \$13,335). The balance owing to the related company as of April 30, 2009 was \$180,000 and July 31, 2008 was \$200,000.
- e) On June 3, 2008 the Company advanced to a director a housing loan in the amount of \$80,000 bearing interest at 3%, and due September 30, 2008. On October 31, 2008, the Company cancelled the management contract of that director and recovered \$35,000 plus GST of the outstanding balance by application of management fees due to the director's holding company. The remaining balance of \$43,250 is to be settled by payments totalling \$35,000 on or before September 22, 2009.

ICS COPPER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

APRIL 30, 2009

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(Information as at April 30, 2009 and for the nine month period ended April 30, 2009 is unaudited)

3. MINERAL PROPERTIES

	ZAMBIA	DRC	April 30, 2009 Total (Unaudited)	July 31, 2008 Total
Balance, Beginning Of Period	\$ 6,079,114	\$ 241,743	\$ 6,320,857	\$ 2,064,495
Acquisition cost incurred	93,985	-	93,985	1,144,136
Exploration costs incurred	652,491	2,099	654,590	3,195,700
Abandoned interest	(6,793,455)	-	(6,793,455)	(83,474)
Balance, End Of Period	<u>\$ 32,135</u>	<u>\$ 243,842</u>	<u>\$ 275,977</u>	<u>\$ 6,320,857</u>

Mineral properties balance comprises:

	April 30, 2009 (Unaudited)	July 31, 2008
DRC		
Acquisition costs	\$ 176,816	\$ 176,816
Consulting	28,320	26,221
Consumables	514	514
Licence fees	13,576	13,576
Travel and accommodation	24,616	24,616
	<u>\$ 243,842</u>	<u>\$ 241,743</u>
Zambia		
Acquisition costs	32,135	1,571,522
Exploration costs	-	4,507,592
	<u>32,135</u>	<u>6,079,114</u>
	<u>\$ 275,977</u>	<u>\$ 6,320,857</u>

ICS COPPER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

APRIL 30, 2009

(Expressed in Canadian Dollars)

(Information as at April 30, 2009 and for the nine month period ended April 30, 2009 is unaudited)

4. SHARE CAPITAL

a) Authorized

Unlimited number of Class "A" voting Common shares without par value

Unlimited number of Preferred shares without par value

b) Issued

	<u>NUMBER OF SHARES</u>	<u>AMOUNT</u>	<u>CONTRIBUTED SURPLUS</u>
Balance, April 30, 2009	29,713,869	\$ 12,872,324	\$ 1,696,938

No shares were issued in nine month period ended April 30, 2009.

c) Restricted Shares

i) Escrow Shares

As at April 30, 2009, 3,694,554 common shares remained in escrow pursuant to an escrow agreement. The remaining escrow shares will be released in three equal tranches of 1,231,518 shares every six months from May 8, 2009 until May 8, 2010.

d) Share Purchase Warrants

Warrants granted and exercisable for the purchase of 10,220,251 shares as of April 30, 2009 at a weighted average exercise price of \$1.05 per share were as follows:

<u>JULY 31 and APRIL 30, 2009</u>		
<u>NUMBER OF WARRANTS</u>	<u>EXERCISE PRICES</u>	<u>EXPIRY DATES</u>
1,120,251	\$ 0.85	May 1, 2009
5,750,000	\$ 1.30	May 1, 2009
500,000	\$ 1.50	June 8, 2009
100,000	\$ 1.50	June 8, 2009
2,750,000	\$ 0.50	June 10, 2010
<u>10,220,251</u>		

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

APRIL 30, 2009

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4. SHARE CAPITAL (Continued)

e) Stock Options

The Company has a stock option plan that provides for the issuance of compensatory options to its directors, officers, employees and consultants. The maximum number of outstanding options must be no more than 10% of the issued and outstanding shares at any point in time. Options granted under the plan may have a maximum term of five years. Terms of the vesting period over which the options are earned is determined by the Board of Directors.

On August 19, 2008, 200,000 stock options were issued to a director under the existing stock option plan at an exercise price of \$0.44 per share. On December 29, 2008, the existing 2,150,000 stock options outstanding were re-priced at \$0.10 per share. On the same date, a further 200,000 stock options were issued to a newly appointed director under the existing stock option plan at an exercise price of \$0.10 per share. Stock-based compensation in the amount of \$71,360 was recorded on these grants in the period.

As of April 30, 2009, 1,250,000 (July 31, 2008–1,950,000) options were outstanding and exercisable and the weighted average remaining contractual life of the options was 3.6 years and the weighted average exercise price was \$0.10.

Options outstanding as of April 30, 2009 were as follows:

NUMBER OF OPTIONS	NUMBER OF OPTIONS EXERCISABLE	EXERCISE PRICE	EXPIRY DATE
650,000	650,000	\$ 0.10	May 8, 2012
200,000	200,000	\$ 0.10	April 11, 2013
200,000	200,000	\$ 0.10	August 19, 2013
200,000	200,000	\$ 0.10	December 29, 2013
<u>1,250,000</u>	<u>1,250,000</u>		

On May 21, 2009, a further 1,150,000 options were issued to directors and officers with an exercise price of \$0.10 per share.

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5. SEGMENTED INFORMATION

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operation decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. All of the Company's operations are within the mineral exploration sector. The Company's mining operations are centralized whereby the Company's head office is responsible for the exploration results and for providing support in addressing local and regional issues. The Company's mineral properties are in Zambia and the DRC, Africa.

	THREE MONTHS ENDED APRIL 30		NINE MONTHS ENDED APRIL 30	
	2009	2008	2009	2008
Net Loss For The Period				
Canada	\$ (152,852)	\$ (126,892)	\$ (760,889)	\$ (591,434)
Africa	(90,398)	-	(8,035,047)	-
	\$ (243,250)	\$ (126,892)	\$ (8,795,936)	\$ (591,434)
			APRIL	July 31
			2009	2008
Equipment				
Canada			\$ 8,812	\$ 11,959
Africa			2,613,314	3,364,112
			\$ 2,622,126	\$ 3,376,071
Mineral Properties – Africa			\$ 275,977	\$ 6,320,857