UNIGOLD

Unigold Inc. 2009 Annual Report

TSX:UGD

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this Annual Report constitute forward-looking statements. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These forward-looking statements include statements regarding the future price of gold, the timing and amount of estimated future production, costs of production, currency fluctuations, capital expenditures, permitting time lines, the requirements of future capital, drill results and the estimation of mineral resources and reserves. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements contained in this report should not be unduly relied upon. These statements speak only as of the date of this report. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- the supply and demand for, deliveries of, and the level and volatility of price of gold;
- impact of change in foreign currency exchange rates and interest rates;
- the timing of the receipt of regulatory and governmental approvals for the Company's development project and other operations;
- the availability of financing for the Company's development for future projects;
- the Company's estimation of its costs of production, its expected production and its productivity levels;
- power prices;
- the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the ability to attract and retain skilled staff;
- engineering and construction timetables and capital costs for the Company's development project;
- market competition;
- the accuracy of the Company's resource estimate (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which it is based;
- change in government regulations, policies and change in tax benefits and tax rates;
- environmental risks including increased regulatory constraints.

Factors that could cause actual results to differ materially include, but are not limited to, the risk factors incorporated by reference herein. The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The Company also cautions readers not to place undue reliance on these forward-looking statements.

Moreover, these forward-looking statements may not be suitable for establishing strategic priorities and objectives, future strategies or actions, financial objectives and projections other than those mentioned above. The forward-looking statements contained in this Annual Report are expressly qualified by this cautionary statement.

This Annual Report does not constitute, or form part of or contain any invitation or offer to any person to underwrite, subscribe for, otherwise acquire, or dispose of any shares in Unigold Inc. or advise persons to do so in any jurisdiction, nor shall it, or any part of it, form the basis or be relied on in any connection with or act as a inducement to enter into any contract or commitment therefore. No reliance may be placed for any purpose whatsoever on the information or opinions contained in this document or on its completeness and no liability whatsoever is accepted for any loss howsoever arising from any use of this document or its contents otherwise in connection therewith.

ABOUT UNIGOLD INC.

Unigold Inc. is focused on gold exploration on its 100 percent owned Neita property, Sabaneta Concession and Los Guandules Concession in the Dominican Republic.

Unigold Inc. is an international gold exploration company listed in Canada on the TSX Venture Exchange. To date majority of the exploration work has been carried out on the large 22,616 hectares ("ha") Neita property which includes the most advanced area, Los Candelones. The Neita property contains about 20 large hydrothermal alteration zones as identified by an airborne magnetic and radiometric survey which are partly coincident with gold in stream sediment anomalies that represent prime targets for exploration. The work on Neita to date has uncovered multiple new target zones including MGN (Montazo-Guano-Naranjo), Noisy and Corozo which are being tested further in the 2010 exploration campaign.

CORPORATE STRATEGY

Unigold's strategy is to target bulk tonnage, open pittable, oxide gold deposits with a goal to finding a deposit equivalent in size to the world class Pueblo Viejo Gold Mine in the Dominican Republic. Our property and concessions lie along the same volcanic belt as Pueblo Viejo and contain volcanic domes similar in age to those associated with hydrothermal alteration gold mineralization at the mine.

Pueblo Viejo produced more than five million ounces of gold and 24 million ounces of silver from oxide and transition ore between 1975 and 1999. Mining stopped at the underlying sulphide zone. Barrick Gold (60 percent) and Goldcorp (40 percent) are spending US$3 billion to restart the mine at a rate of 24,000 tonnes per day. With proven and probable gold reserves of 20 million ounces, Pueblo Viejo is expected to have a 25 year mine life starting in 2011.

View at Sabaneta property

2009 ACHIEVEMENTS

2009 EXPLORATION ACHIEVEMENTS

- Better comprehension of epithermal gold system emplacement at regional scale based on geological mapping
- Improved model of high sulphidation epithermal gold system on Neita
- New discoveries including:
  - Noisy: 1 gram per tonne gold ("g/t Au") over 38 metres ("m") including 2.02 g/t over 10m in diamond drill hole
  - MGN: 2.68 g/t Au over 35m including 4 g/t Au over 23m in trenching
- 1,400m of drilling on the Los Candelones deposit and regional targets
- 150 grab samples grading more than 0.5 g/t Au and averaging 3.82 g/t Au on Neita
- 5,000m of trenching on Neita
- 100 line km of ground magnetics on MGN
- 1,000 soil and reconnaissance samples upstream of artisanal placer workings on Sabaneta

The 2009 regional exploration program added or significantly expanded several gold showings on the Neita property.

Most of the 2009 gold discoveries were encountered within a huge epithermal alteration zone called MGN, which covers an area of more than 16 square kilometres ("km") within the Neita property. This area is located 8 km north-east of Unigold's Los Candelones deposit and will be the main focus of our exploration in 2010.

Within this huge epithermal system, a hydrothermal breccia zone (1,200m X 400m) assayed up to 2.68 g/t Au over 35m including 4 g/t Au over 23m in trenches. Mineralization is associated with a ryolite dome and occurs as silica-barite rich rock replacing the host volcanic pyroclastic rock.

Across the valley from the breccia zone, further exploration under a silicified cap rock uncovered a high grade zone grading up to 2 g/t Au over 42m, including 10.3 g/t over 7m in trenches and up to 197.5 g/t Au in grab samples. Associated alunite-dickite-pyrophillite alteration suggests that this system corresponds to a high sulphidation epithermal gold system.

The Noisy gold zone located 6 km north of Los Candelones was also significantly expanded in 2009. This epithermal target corresponds to a large gold in-soil anomaly. The anomaly is open to the west and displays the same epithermal signature and magnetic depletion characteristics as Los Candelones.

Road excavation at Los Candelones

2010 OBJECTIVES

Unigold will expand the reach of the field exploration program to the Sabaneta Concession, a regional property which is largely unexplored.

Unigold is focusing on gold exploration in the Dominican Republic within the 75 km wide Cretaceous age volcanic belt that transects the country. The Neita property (22,616 ha) is underlain by this volcanic belt in an environment known to host the world class Pueblo Viejo Gold Mine. In keeping with our strategy to target bulk tonnage, open-pittable, oxide gold deposits similar to the Pueblo Viejo gold mine in the Dominican Republic, Unigold will:

- Drill test and carry out other exploration activities on several new showings discovered on the Neita property;
  - Continue drilling at Los Candelones to outline higher grade zones, confirm the continuity of the sulphide zones outlined by IP, and define the 15-30m thick oxide cap above and surrounding the sulphide mineralization;
  - In addition to further work on Los Candelones, Unigold will drill test and conduct further exploration work on the MGN target (Montazo-Guano-Naranjo), the Noisy target and Corozo target areas on the Neita property.
- Unigold will expand the reach of the field exploration program to the Sabaneta Concession, a regional property which is largely unexplored.
- Unigold has an option to acquire the contiguous Los Guandules Concession (13,386 ha) which is underlain by the south-easterly extension of the rocks hosting the gold mineralization on Neita.

> The Dominican Republic project is a unique opportunity for Unigold because of its exceptional geology and attractive business climate

Drill team at Neita property

CHAIRMAN'S MESSAGE

Dear Shareholders,

This past year was one of perseverance that ended with tremendous positive momentum for Unigold. While the global economy stabilized and then improved throughout the latter half of the year, the conditions for junior exploration-stage companies remained challenging. Due to the market uncertainty in early 2009, Unigold slowed down its exploration activity and took a focused approach to protect its cash position. This conservative strategy allowed Unigold to minimize shareholder dilution and complete an equity financing in the fourth quarter of 2009 positioning the Company with a strong balance sheet and a fully-funded exploration program for 2010.

In December 2009, Unigold completed a $10.6 million financing with Dundee Securities Corporation and PowerOne Capital Markets Limited. This financing has allowed the Company to aggressively pursue many identified targets on its large property and concession areas in the Dominican Republic.

During 2009, Unigold's exploration program focused on advancing known targets on its large 22,616 ha Neita Property. The new discoveries on the property have shaped the campaign slated for the year ahead including the further advancement of the Noisy target and the MGN target. In addition, Unigold has commenced exploration work on its large Sabaneta Concession with 1,000 soil and reconnaissance samples in a region known for its historical gold in-stream panning. The property contains extensive artisanal placer workings and outcrops with grades running up to 9 g/t Au and 5% zinc, but remains largely unexplored.

With a strong cash position moving into 2010, Unigold management has outlined its objectives with an aggressive $7 million exploration budget planned for the year ahead. The Company will continue to advance its 4 main targets on the Neita Property which include Los Candelones, MGN, Noisy and Corozo and further its exploration activity on the Sabaneta concession.

I'd like to take this opportunity to thank all of our shareholders for their continued support. We look forward with great optimism to the results of the 2010 exploration program and the further articulation of the potential resources on our properties.

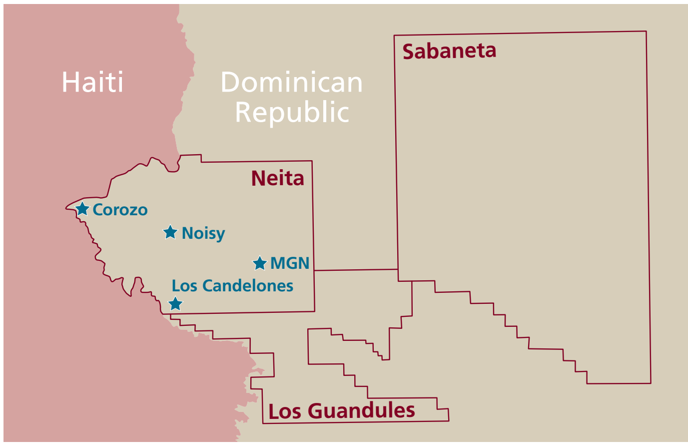
Dr. Talal A. Alshair

Chairman of the Board

May 15, 2010

EXPLORATION REVIEW

The great number of gold and copper-gold showings and the variety of mineralization types on the Neita property highlight its exceptional exploration potential.



NEITA PROPERTY

Unigold's Neita property covers 22,616 ha and is host to the Los Candelones deposit. The great number of gold and copper-gold showings and the variety of mineralization types on the Neita property highlight its exceptional exploration potential. Mineralization ranges from copper-gold porphyry systems such as Corozo to high-sulphidation epithermal gold at Los Candelones. Furthermore, the property contains several large areas of high temperature clay alteration with coincident soil anomalies and impressive gold showings of up to 197.5 g/t Au.

Our four main targets on the Neita property are Los Candelones, MGN, Noisy and Corozo

Since acquiring the Neita property, Unigold has built an extensive and detailed geological database with information gathered from more than 6,200 grab samples, 17,000m of trenching, 15,000 soil samples, hundreds of line kilometres of airborne and ground geophysics, extensive stream sediment sampling and more than 20,000m of drilling on the Los Candelones deposit. This extensive geological information is an invaluable exploration tool for Unigold and we keep adding to it every day.

Our four main targets on the Neita property are Los Candelones, MGN, Noisy and Corozo.

LOS CANDELONES TARGET

SUMMARY

Los Candelones is the most advanced project on the Neita property. Unigold has drilled more than 133 holes on the gold deposit and has followed mineralization over a strike length of more than 900m and a vertical depth of 250m. Exploration upside remains excellent. Not only is the Los Candelones deposit open at depth and along strike, but exploration efforts have recently uncovered several mineralized zones along strike.

GEOLOGY & MINERALIZATION

The Candelones gold deposit occurs within the same Cretaceous volcanic belt as the 20.4 million ounce Pueblo Viejo deposit and has similar structure and mineralization. Gold is hosted by an altered, silicified and brecciated dacitic rock and occurs within a high sulphidation epithermal vein system surrounded by a large clay alteration envelope.

Los Candelones is the most advanced project on the Neita property

A stockwork zone containing pyrite, chalcopyrite and sphalerite is characterized by wide sections of low grade disseminated mineralization crosscut by high-grade gold-chalcopyrite-enargite veins. The 20-30m stockwork zone grades 1.0-4.4 g/t Au and is enclosed by pyroclastic rocks up to 100m thick and grading 0.3-0.5 g/t Au. Most of the gold mineralization is associated with illite-quartz alteration but certain high-grade sections occur with higher temperature alterations containing alunite and/or nacrite-dickite.

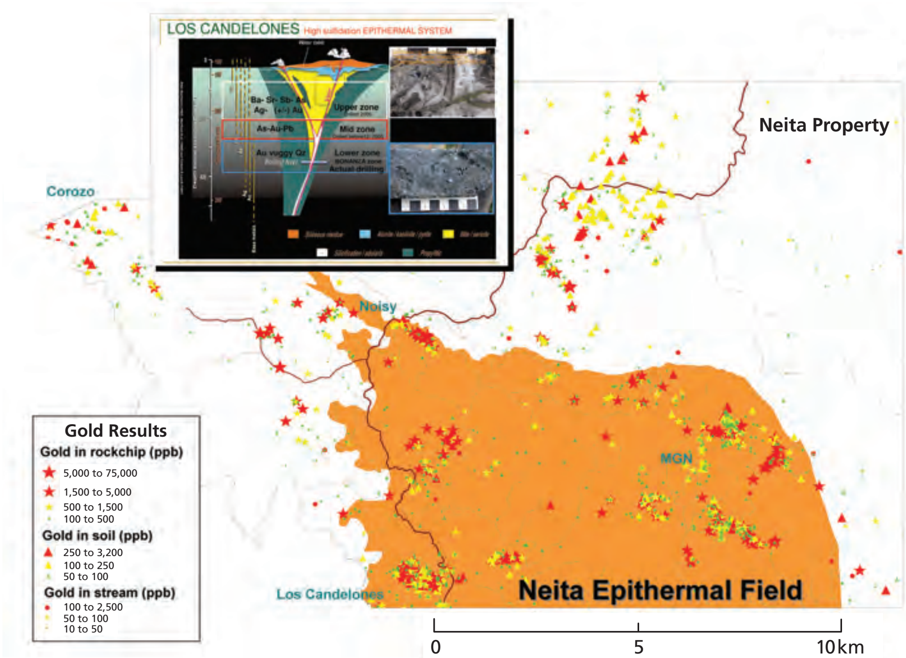
EXPLORATION

The Los Candelones gold mineralization occurs within a 1,200m by 600m gold in-soil anomaly and coincident IP chargeability high. Drilling highlights include:

- 2.1 g/t Au over 61m (including 6.9 g/t over 10m) in hole SC29
- 1.1 g/t Au over 82m in hole SC40
- 1.8 g/t Au over 63m in hole DC46
- 0.8 g/t Au over 103m in hole DC98.

Similar gold zones occur along strike of Los Candelones. Trenching has uncovered zones of up to 45 g/t Au over 11m and 1 g/t Au over 36m within the Candelones Southwest zone.

Trench digging at Los Candelones



Epithermal Field at Neita Property

MGN (MONTAZO-GUANO-NARANJO) TARGET

SUMMARY

MGN is located 8 km northeast of Los Candelones. It is the largest epithermal alteration zone on the Neita property and our top exploration priority for 2010. MGN trends east-west and covers an area of more than 16 square kilometres with a higher grade gold zone occurring in the oxide layer at surface.

GEOLOGY & MINERALIZATION

The MGN zone occurs at the intersection of two separate northwest trending regional structures. Gold mineralization is widespread and enveloped by strong argillic alteration within a 150m thick hydrothermal breccia horizon. The mineralization is associated with a rhyolite dome and occurs in lenses and veins of dense silica-barite rock that replaces the host volcanic pyroclastic rock. The highest grades (> 5 g/t) occur at the base of the breccia horizon and in the underlying, highly argillic andesite.

Barite-manganese jasperoids are locally well developed. They are distinctly anomalous in arsenic, copper and antimony suggesting an epithermal system similar to the one responsible for gold mineralization at the nearby Los Candelones deposit.

EXPLORATION

Most of our gold discoveries in 2009 are attributable to the MGN zone. Trenching over of an area of 600m long by 200m wide yielded 2.68 g/t Au over 35m, including 4 g/t Au over 23m and 2 g/t Au over 42m, including 10.3 g/t over 7m .

In early 2010, grab samples taken south of the MGN zone returned values of up to 21.90 g/t Au and extended the known gold mineralization another 1.7 km to the south. Follow-up trenching to crosscut the barite-manganese jasperoids associated with gold mineralization on this new discovery intersected long high-grade intersections (up to 4.2 g/t Au over 10m). Drilling is exploring the potential for a gold-rich root zone underneath the epithermal silica cap.

COROZO TARGET

SUMMARY

Corozo is located 10 km northwest of Los Candelones along the same geological contact. Drilling has revealed elevated copper values associated with gold mineralization in volcanics and surrounding sediments, indicating a large hydrothermal system and potential proximity to a porphyry system.

GEOLOGY & MINERALIZATION

The target area contains a north-south trending topographic ridge (Corozo Hill) characterized by silicified and brecciated mafic volcanic rocks. The host structure is a splay off a nearby regional north-west trending fault. The associated volcanics are highly altered and possess both copper and gold in-soil anomalies.

EXPLORATION

Geochemical results from the 1.5 km by 2 km alteration zone on Corozo are encouraging. Stream sediment samples returned values up to 1.1 g/t gold and soil samples returned up to 500 ppb gold 1,000 ppm copper and associated zinc within a large anomaly. Limited trenching returned values up to 1.6 g/t gold in highly silicified volcanics.

Four east-west lines of IP geophysics, 400m apart and totaling 6 line km, have been completed and show two excellent northwest-southeast trending anomalies with higher amplitude than that found over the Los Candelones mineralization. The 1.5 km long anomaly just east of Corozo Hill may represent the fault contact between tonalite and felsic volcanic rocks. The second anomaly trends about 500m to the west of Corozo and is coincident with gold and copper in-soil anomalies and a gold in-stream sediment anomaly.

Drilling has revealed elevated copper values associated with gold mineralization

Five drill holes totaling 541m have been completed on Corozo. The first four holes targeted the hydrothermally altered, silicified and brecciated volcanics and sediments of Corozo Hill and intersected narrow zones of low grade gold mineralization and elevated copper mineralization throughout. The copper values indicate a large hydrothermal system and might suggest proximity to a porphyry system.

HIGHLIGHTS INCLUDE:

- three 1m intervals grading 0.7, 0.4 and 0.8 g/t Au (Hole SCO-04)
- a 120m interval grading 0.1% Cu, including 27m of 0.2% Cu (Hole SCO-01)

The final hole, SCO-05, targeted a gold in-soil anomaly associated with a north-south trending structure located about 1 km south of Corozo Hill and encountered saprolite and weathered and oxidized intrusives with low gold and copper values.

NOISY TARGET

SUMMARY

The Noisy gold zone is associated with a large gold in-soil anomaly located 6 km north of Los Candelones. It remains open laterally and at depth.

The best trench intercept was 127m grading at 0.30 g/t Au

GEOLOGY & MINERALIZATION

The 1,600m by 300m gold in-soil anomaly is open to the northwest and displays the same epithermal signature (As, Sb, Ba, Pb and Zn) and magnetic depletion characteristics as Los Candelones. Mineralization occurs in argillic hydrothermal breccias hosted by andesite and contains a higher grade core.

EXPLORATION

Soil sampling was followed up by 3,000m of trenching in 22 trenches and a 620m drill program consisting of five holes. The best trench intercept was 127m grading at 0.30 g/t Au. The best drill intercepts were 38m grading 1 g/t Au, including 10m at 2 g/t gold and, 130m further east, 0.5 g/t Au over 45m including 1.04 g/t Au over 7m. The results confirm the continuity of the gold zone laterally and at depth.

SABANETA CONCESSION

SUMMARY

Unigold holds 100% of the exploration rights for gold, silver, zinc, copper and all associated minerals on the Sabaneta property, as well as a sole and exclusive option for commercial mining. The property contains extensive artisanal placer workings and outcrop running up to 9 g/t Au and 5% zinc, but remains largely unexplored.

GEOLOGY & MINERALIZATION

The region is underlain by the same favourable upper Cretaceous volcano-sedimentary rocks of the Tireo Formation that underlie Neita. Sabaneta has never been mapped.

EXPLORATION

In 2009, Unigold collected more than 1,000 soil and steam samples upstream of the main area of alluvial gold workings. Results will be followed up with mapping, prospecting and more soil sampling in watersheds that show gold anomalies of up to 1.7 g/t Au in stream sediments and evidence of intensive artisanal mining.

LOS GUANDULES CONCESSION

SUMMARY

Unigold is optioning the Los Guandules property adjacent to the Neita property. The 13,386 ha concession covers the extension of the favourable geology and structure trending southeastward from the Neita property. Extensive soil and stream sampling on the property have uncovered several gold and copper-gold anomalies and field exploration has yielded gold values of up to 8 g/t.

GEOLOGY & MINERALIZATION

Los Guandules contains a large hydrothermal alteration zone of altered volcanics centred on the northwest trending regional structure. Float in the area is reported to run up to 7.9% copper and historical trenching returned values of up to 2.4 g/t Au over 29m with anomalous silver and copper values.

EXPLORATION

Soil sampling and prospecting will continue along the favourable limestone contact with the underlying volcanics in order to narrow down the areas with the most potential on this large, underexplored property.

The view at Los Guandules

Exploration at Neita Property

CORPORATE & SOCIAL RESPONSIBILITY

We recognize that our exploration impacts both the communities and natural environment where we operate. All testing, sampling and drilling will be conducted to the highest standards following regulatory guidelines. Our legal representative in the Dominican Republic is working closely with the national government to ensure that we adhere to all regulations with respect to exploration and is communicating regularly with local representatives to address community concerns.

To promote goodwill among all stakeholders, Unigold will hold regular information meetings detailing our activities and future plans. As our exploration advances, we will continue to draw employees from surrounding communities and provide free access to medical consultation and treatment. A program to build and maintain roads in the region is ongoing.

View of the Neita exploration camp

UNIGOLD INC. (A Development-Stage Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended December 31, 2009

The following discussion and analysis of the operating results and financial condition of Unigold Inc. ("Unigold" or the "Company") has been prepared as of April 27, 2010 and should be read in conjunction with the audited consolidated financial statements of the Company and notes thereto for the year ended December 31, 2009. Said financial statements were prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), and all monetary amounts are expressed in Canadian dollars unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis, contains certain forward-looking statements related to, among other things, expected future events and the financial and operating results of the Company. Forward-looking statements are subject to inherent risks and uncertainties including, but not limited to, market and general economic conditions, changes in regulatory environments affecting the Company's business and the availability and terms of financing. Consequently, actual results and events may differ materially from those included in, contemplated or implied by such forward-looking statements for a variety of reasons.

NATURE OF OPERATIONS AND GOING CONCERN

The Company is in the process of exploring its mineral properties located in the Dominican Republic and has not as yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete its exploration program and upon future profitable production or proceeds from disposition of such properties.

The Company has approximately $10.3 million (present valued at approximately $5.4 million, net of an impairment charge of $5.0 million) invested in restructured asset-backed-commercial paper ("ABCP") in which no active market currently exists and the funds cannot be accessed. See note 3 and 6 of the notes to the audited consolidated financial statements for more details. There is no assurance as to the ultimate full recovery of these funds.

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. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations.

COMPANY OVERVIEW

Unigold is focused on gold exploration in the Dominican Republic within the 75 kilometres ("km") wide Cretaceous age Tireo Formation volcano-sedimentary rocks, which host the world class Pueblo Viejo gold deposit. Unigold's Neita Property covers 22,616 hectares of this favourable geology and is host to the Los Candelones deposit, as well as numerous gold and copper-gold showings.

The number of gold and copper-gold showings and the variety of mineralization types on the Neita Property highlight its exceptional exploration potential. Mineralization ranges from copper-gold porphyry systems, such as Corozo, to high-sulfidation epithermal gold encountered at the Los Candelones deposit. Furthermore, the property contains several large areas of high temperature clay alteration with coincident soil anomalies and impressive gold showings of up to 30 grams per tonne gold ("g/t Au").

Since acquiring the Neita Property, the Company has built an extensive and detailed geological database with information gathered from more than 6,200 grab samples, 17,000 metres ("m") of trenching, 15,000 soil samples, thousands of line km of airborne and ground geophysics, extensive stream sediment sampling, and more than 29km of drilling on the Los Candelones deposit.

Compilation data	Statistics
Drilling	179 Holes; 29,026 metres; 26,165 samples
Trenching	17,252 metres
Soil	15,282 samples
Grab	6,247 samples
Stream	884 samples
IP	46km lines
Magnetic survey	311km lines
Geochem analysis	65,800

As a result of the unfavourable economic environment during 2009, and to conserve as much cash as possible, the Company reduced field staff and deferred the amount of exploration work that it would normally be carrying out during 2009 until a financing was complete.

On December 1, 2009, the Company closed a private placement financing and raised gross proceeds of $10,675,150. The proceeds will be used by the Company (i) to conduct exploration activities in respect of the mineral exploration projects of the Company located in the Dominican Republic, and (ii) for general corporate purposes. A detail of the financing is shown in the Liquidity and Capital Resources section of this report.

EXPLORATION

The Company, since February 2006, has been re-assessing and re-evaluating the previous exploration work results obtained from the Neita Concession while continuing with surface exploration. 3-D compilation of the gold assay values from drill holes, trenching & geochemical sampling along with the results by geophysics (IP & Resistivity), has verified the previously obtained results indicated in the pre-feasibility study made by BRGM in 1998. Moreover, the 3-D compilation has also revealed that data of the tested proportion between the drilled and un-drilled parts of Los Candelones deposit shows high probability to significantly improve the known gold resource. Based on this data compilation, a drilling program started in July 2006 and continued throughout 2009.

The Company's 2009 exploration program allowed delimitating various gold occurrences within the Neita Property. Efforts were put on Candelones and MGN (Montazo, Guano, Naranjo) targets. Exploration expenditures incurred on the Company's properties in 2009 amounted to approximately $1,447,000, compared to approximately $3,263,000 in 2008.

At a regional scale, more than 1,500 grab samples were collected. A total of 66 trenches were excavated totaling more than 5 km. Three different magnetic surveys were done totaling 117km of lines. Geological maps were produced on targets. A total of 14 diamond drill holes were completed totaling 1,849m on Candelones and MGN targets. Considerable field work was achieved and encouraging results were demonstrated.

Field work 2009	Statistiques
Drilling	14 Holes = 1,849 metres
Trenching	66 trenches = 5,618 metres
Grab	1,886 samples
Soil	1,080 samples
Magnetic survey	117km of line
Mapping	10 km^2
Geochem analysis	9,821

On Candelones, 8 drill holes were completed for a total of 1,200 m. The drilling program was targeting a possible extension of Candelones gold mineralization towards the east. Located at 2km eastward of Candelones, LP-01 intercepted 6m @ 3.8 g/t Au, as well as 70m east of LP-01, drill hole LP-02 intercepted 9m @ 1 g/t Au. Mineralization occurs in a silicified-barite breccia. This gold zone is potentially an extension of the mineralized zone of Candelones. These two zones are possibly connected by a north-east fault. More drilling is planned during 2010 in order to test this possible extension.

The MGN (Guano, Montazo, Naranjo) target is the area where most of the 2009 exploration work was conducted. MGN is located 8km north-east of the Los Candelones deposit. MGN is part of a huge epithermal alteration zone which covers an area of more than 16 km^2. Discovery of a new gold zone on Loma Naranjo results from the follow-up of numerous gold bearing grab samples occurring between Loma Naranjo and Loma Guano within a hydrothermal breccia zone (1,200m by 400 m) located in a valley between Loma Guano and Loma Naranjo hills. Assay results from trenching were issued on press release No. 2009-01, dated February 24, 2009.

More than 4km of trenches were excavated within a 5 km^2 area. Trench results returned up to 23m @ 4 g/t Au (TR-NA-09-03) on a barite-rich zone on top of Naranjo hill. On Guano north flank, at the base of the hill, a trench intercepted up to 42m @ 2 g/t Au, including 7m @ 10 g/t Au (TR-GU-09-08). A 92km of line ground magnetic survey covering Guano hill, Naranjo hill and Montazo hill was completed. The drilling campaign for MGN target started late 2009 and 4 short holes for a total of 437m were completed. Grab sampling and mapping lead to a brand new gold zone. This new discovery appears to be an extension of the MGN zone. More than 200 grab samples were collected, over 1.2km of trenches and detailed mapping were completed on this specific area. Grab samples from this new area have assayed as high as 21.9 g/t Au. The 42 grab samples that returned greater than 0.5 g/t Au averaged just over 2 g/t Au. Trench sampling returned up to 4.2 g/t Au over 10m in trench TR-RP-10-09. This new discovery occurs in a breccia zone that shows gold bearing in advance argilic alteration. The results are very encouraging and a drilling program will test this zone during the second quarter of 2010.

The Company's exploration budget in the Dominican Republic for 2010 is approximately $7.3 million, focused largely on the MGN, Candelones and Sabaneta projects.

SELECTED ANNUAL INFORMATION

The Company's selected annual information for the three most recently completed financial years as at and for the years ending December 31st was as follows:

	2009	2008	2007
Total revenue	$ 143,056	$ 404,312	$ 193,094
Net loss	(1,150,329)	(3,268,479)	(3,936,685)
Net loss per share - basic and diluted	(0.01)	(0.04)	(0.05)
Total assets	28,392,572	18,579,819	17,103,928
Total liabilities	6,259,426	5,112,245	806,865
Shareholders' equity	22,130,315	13,464,743	16,294,232

The 2008 and 2007 loss includes an impairment charge of $2,200,000 and $2,800,000, respectively, on the ABCP's investments.

The total liabilities in 2009 include the bank loan of $6,074,615 (2008 - $4,880,000) as a result of the ABCP's investments.

RESULTS OF OPERATIONS

For the year ended December 31, 2009, the Company recorded a net loss of $1,150,329, or $0.01 per share, compared with a net loss of $3,268,479, or $0.04 per share, in 2008. The 2008 loss includes a provision for an impairment charge in other investments, consisting entirely of asset-backed commercial paper, of $2,200,000.

Revenue is limited to interest earned on the restructured asset-backed commercial paper and amounted to $143,056 in 2009, compared to $404,312 for the prior year. The Company has chosen not to accrue for any interest earned on the restructured asset-backed commercial paper it holds until the interest is received.

Administrative expenses were $1,293,385 in 2009, compared to $1,472,791 (not including the $2,200,000 impairment charge on the ABCP) in 2008. Higher management services fees, travel and business development costs and foreign exchange losses were offset by lower investor relations activities and overall general expenditures.

QUARTERLY INFORMATION

The following table sets out selected financial information derived from the Company's financial statements for each of the eight most recently completed quarters:

	Net Revenues	Net Loss	Net loss per share
December 31, 2009	$ 15,016	$ (316,221)	$ Nil
September 30, 2009	$ 16,720	$ (253,892)	$ Nil
June 30, 2009	$ 111,077	$ (305,769)	$ (0.01)
March 31, 2009	$ 243	$ (274,447)	$ Nil
December 31, 2008	$ 403,079	$ (1,639,965)	$ (0.02)
September 30, 2008	$ 337	$ (762,280)	$ (0.01)
June 30, 2008	$ 457	$ (595,649)	$ (0.01)
March 31, 2008	$ 439	$ (270,585)	$ Nil

The net loss in the following quarters include an impairment charge on the restructured asset ABCP, as follows:

December 31, 2008	$ 1,900,000
June 30, 2008	$ 300,000

The third quarter of 2008 net loss also includes stock-based compensation costs of $530,740.

The net revenues for the quarter ended December 31, 2008, June 30, September 30, and December 31, 2009, includes interest received on the restructured ABCP. The Company records interest on these long-term investments only when it's received.

LIQUIDITY AND CAPITAL RESOURCES

The Company has no producing properties and, consequently, has no current operating income or cash flow. Financing of the Company's activities to date has been primarily obtained from equity issues. The continuing development of the Company's properties therefore depends on the Company's ability to obtain additional financing.

The Company's ability to meet its financial obligations is dependent upon securing financing and the eventual recovery of the approximately $10.3 million in the restructured ABCP investments. The Company has obtained a line of credit with a senior Canadian bank of approximately $8 million, backed by the restructured ABCP notes, to assist the Company with its working capital requirement. To the date of this report, the Company has drawn down $6,074,615. See note 6 to the audited consolidated financial statements for more details.

As at December 31, 2009, the Company has a working capital of $3,687,176. This amount is net of the bank loan drawdown of $6,074,615.

See Note 3 and 6 of the notes to the audited consolidated financial statements for additional information on the restructured ABCP investments and bank loan.

On December 1, 2009, the Company closed a private placement of 62,795,000 units of the Company (the "Units") at a price of Cdn$0.17 per Unit for aggregate gross proceeds of Cdn$10,675,150 (the "Offering"). Dundee Securities Corporation together with PowerOne Capital Markets Limited (collectively the "Agents") acted as agents with respect to the Offering.

Each Unit consisted of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant shall entitle the holder thereof to acquire one common share of the Company (the "Warrant Shares") at a price of $0.30 at any time until December 1, 2011. In the event that the closing trading price of the common shares of the Company on the TSX Venture Exchange (or such other stock exchange or quotation system on which the common shares are listed and where a majority of the trading volume occurs) exceeds Cdn$0.45, for a period of 20 consecutive trading days, the Company may provide notice to the holders of Warrants that the Company intends to accelerate the expiry of the Warrants and that the Warrants will thereafter expire on the date which is 30 days after the date that such notice was provided to the holders of Warrants.

As compensation for the services they rendered in connection with the Offering, the Agents received a cash fee in the aggregate amount of Cdn$720,128 and an aggregate of 4,236,050 broker warrants of the Company (the "Broker Warrants") with each Broker Warrant entitling the holder thereof to purchase one common share of the Company at a price of Cdn$0.30 at any time until December 1, 2011.

The net proceeds of the offering will be used by the Company (i) to conduct exploration activities in respect of the mineral exploration projects of the Company located in the Dominican Republic, and (ii) for general corporate purposes.

TREND INFORMATION

There are no major trends which are anticipated to have a material effect on the Company's financial condition and results of operations in the near future.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements, no capital lease agreements and no long-term debt obligations.

RELATED PARTY CONTRACTUAL OBLIGATIONS AND TRANSACTIONS

Included in the accounts for the year ended December 31, 2009 and 2008 are payments made to corporations under the control or significant influence of officers and directors of the Company as follows:

	2009	2008
Management Services fees paid to corporations controlled by or have significant influence by officers and directors of the Company	$ 297,735	$ 201,305
Travel and business development expenditures paid to a corporation controlled by a director of the Company	$ 120,000	$ 40,000
Professional fees paid to an officer and director of the Company	$ 90,500	$ 65,000
Shareholder information expenditures paid to a corporation controlled by a director of the Company	$ –	$ 10,000
Professional fees paid to a law firm where a director of the Company is also a partner	$ 29,545	$ 8,268
Deferred exploration costs paid to a corporation controlled by an officer and a director of the Company	$ –	$ 105,000

Included in prepaid expenses as at December 31, 2009 is an advance in the net amount of $28,837 (December 31, 2008 - $9,632) to a corporation controlled by a director of the Company for continuing costs associated with a listing on a foreign stock exchange and business development expenditures, and a travel advance of $20,000 (December 31, 2008 - $20,000) to an officer and director of the Company. Included in accounts payable and accrued liabilities is $2,330 (December 31, 2008 - $12,598) payable to a law firm where a director of the Company is also a partner. These balances are non-interest bearing and unsecured with no fixed terms of repayment.

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 to by the related parties.

COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS

The Company is a party to certain management contracts. These contracts contain clauses requiring that $216,000 be paid upon a change of control of the Company. Minimum commitments remaining under these contracts are approximately $306,000 over the following years:

Year	Amount ($)
2010	216,000
2011	90,000
	306,000

The Company's exploration activities are subject to various federal, provincial and international 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.

FOURTH QUARTER

The Company recorded a net loss of $316,221, or $Nil per share, in the fourth quarter of 2009. A detail of the loss is as follows:

Revenue		
Interest income	$	15,016
Administrative expenses		
Listing and shareholder information		29,233
Foreign exchange loss		34,672
General and administrative expenses		35,456
Management services fees		122,977
Travel and business development		44,690
Professional and consulting fees		44,283
Interest expense		18,799
Amortization		1,127
		331,237
Net loss for the period	$	(316,221)

The Company continued its exploration program on the Neita Property in the Dominican Republic. Exploration expenditures of $469,664 were incurred during the fourth quarter of 2009.

The Company has drawn down $250,000 of the credit facility with a senior Canadian bank during the quarter and paid $18,799 of interest on the amount drawn down to date.

PROPOSED TRANSACTIONS

There are no proposed transactions that will materially affect the performance of the Company.

CRITICAL ACCOUNTING ESTIMATES

The Company prepares its financial statements in accordance with accounting principles generally accepted in Canada. The most significant accounting estimates are the valuation of the investment in the restructured ABCP and the related impairment charge; the policy of capitalizing exploration costs on its mining properties and the valuation of such properties; stock-based compensation calculation and tax account valuation.

The Company reviews its portfolio of properties on an annual basis to determine whether a write-down of the capitalized cost of any property is required under Canadian generally accepted accounting principles. The recoverability of the amounts shown for mineral properties and deferred exploration costs is dependent on the existence of economically recoverable reserves, and the ability to obtain financing to complete the development of such reserves.

The Company uses the Black-Scholes model to determine the fair value of options and warrants. The main factor affecting the estimates of stock-based compensation is the stock price volatility used. The Company uses the historical price data and comparables in the estimate of future volatilities.

CHANGES IN ACCOUNTING POLICIES ADOPTED IN 2009

GOODWILL AND OTHER INTANGIBLE ASSETS

The Company adopted CICA Handbook Section 3064, "Goodwill and Other Intangible Assets". The new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. The adoption of this new standard resulted in the Company writing off retrospectively the Public listing status in the amount of $100,000. The opening deficit at January 1, 2008 has been revised by this amount to reflect this change.

EIC 173 - CREDIT RISK AND THE FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

In January 2009, the CICA approved EIC 173 "Credit Risk and the Fair Value of Financial Assets and Financial 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 Company is continually evaluating its counterparties and their credit risks. The adoption of this abstract had no impact on the Company's presentation of its financial position or results of operations as at and for the year ended December 31, 2009. Adoption of this standard had no impact on the consolidated financial statements.

EIC 174 - MINING EXPLORATION COSTS

On March 27, 2009, the EIC issued EIC-174. In this EIC the Committee reached a consensus 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 adoption of this abstract had no impact on the Company's presentation of its financial position or results of operations as at December 31, 2009. Adoption of this standard had no impact on the consolidated financial statements.

FINANCIAL INSTRUMENTS

In May 2009, the CICA amended Section 3862, "Financial Instruments - Disclosures" to include additional disclosure requirements about fair value measurement for financial instruments and liquidity risk disclosures. These amendments require a three level hierarchy that reflects the significance of the inputs used in making the fair value measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are based on inputs that are unobservable and significant to the overall fair value measurement. The adoption of this new standard resulted in additional disclosures in the notes to the consolidated financial statements.

FUTURE ACCOUNTING CHANGES

ADOPTION OF INTERNATIONAL ACCOUNTING STANDARDS

In February 2008, the CICA announced that Canadian generally accepted accounting principles for publicly accountable enterprises will be replaced by International Financial Reporting Standards ("IFRS") for fiscal years beginning on or after January 1, 2011. Companies will be required to provide IFRS comparative information for the previous fiscal year. Accordingly, the conversion from Canadian GAAP to IFRS will be applicable to the Company's reporting for the first quarter of 2011 for which the current and comparative information will be prepared under IFRS. The Company is required to apply all of those IFRS standards which are effective for fiscal year ending December 31, 2011 and apply them to its opening January 1, 2010 balance sheet.

The Company's IFRS implementation project consists of three primary phases which will be completed by a combination of in-house resources and external consultants.

- Initial diagnostic phase ("Phase I") - Involves preparing a preliminary impact assessment to identify key areas that may be impacted by the transition to IFRS. Each potential impact identified during this phase is ranked as having a high, moderate or low impact on our financial reporting and the overall difficulty of the conversion effort.
- Impact analysis, evaluation and solution development phase ("Phase II") - Involves the selection of IFRS accounting policies by senior management and the review by the audit committee, the quantification of the impact of changes on our existing accounting policies on the opening IFRS balance sheet and the development of draft IFRS financial statements.
- Implementation and review phase ("Phase III") - Involves training key finance and other personnel and implementation of the required changes to our information systems and business policies and procedures. It will enable the Company to collect the financial information necessary to prepare IFRS financial statements and obtain audit committee approval of IFRS financial statements.

Financial reporting expertise and communication to stakeholders

The Company has retained an external consultant to establish appropriate IFRS financial reporting expertise at all levels of the business. The external consultant will train key finance and operational staff starting in the second quarter of 2010. Information regarding IFRS implications will be communicated in the normal course of the Company's continuous disclosure filings. The Company has also provided Audit Committee members with detailed project scoping, timelines and deliverables. The Audit Committee will continue to receive periodic presentations and project status updates from the external consultant and management. The Company will also ensure that its key stakeholders are informed about the anticipated effects of the IFRS transition.

The Company has completed the preliminary diagnostic phase and will continue to update its disclosures throughout 2010 to reflect specific actions taken to facilitate adoption of IFRS effective January 1, 2011. The Company will also continue to review and update its preliminary conclusions from the diagnostic phase during 2010 as new facts emerge. The differences that have been identified in the diagnostic phase are summarized below.

a) Transitional Impact on Financial statement presentation and classification

The Company's financial statements will have a different format upon transition to IFRS.

The components of a complete set of IFRS financial statements are: statement of financial position (balance sheet), statement of comprehensive income, statement of changes in equity, statement of cash flows, and notes including accounting policies. Income statement will be presented as a component of the statement of comprehensive income. Balance sheet may be presented in ascending or descending order of liquidity. Income statement is classified by each major functional area - marketing, distribution, etc.

Impact on the Company: The Company will reformat the financial statements in compliance with IAS 1.

b) IFRS-1 Transitional policy choices and exceptions for retrospective application

IFRS-1 contains the following policy choices with respect to first-time adoption that are applicable to the Company.

Designation of previously recognized financial instruments:

IFRS: IAS 39 restricts the circumstances in which the option to measure a financial instrument at fair value through profit or loss is available. In particular, an entity is permitted to designate, at the date of transition to IFRSs, any financial asset or financial liability as at fair value through profit or loss provided the asset or liability meets the criteria **Canadian GAAP**: Contains no similar restriction.

Impact on the Company: The Company has certain investments (**ABCP**) that it has designated as held-for-trading.

Impact on the Company: During Phase II the Company will re-evaluate its policy by reference to the IAS 39 criteria to determine whether this will have a material impact upon transition.

Business combinations:
IFRS 3, Business Combinations may be applied retrospectively or prospectively with respect to business combinations completed prior to January 1, 2010.

Impact on the Company: The Company has not completed any business combinations recently and will early adopt CICA Section 1582 with respect to any business combinations consummated on or after January 1, 2010.

c) Mandatorily applicable standards with retrospective application (i.e., not specifically exempt under IFRS - 1)

Deferred mineral exploration costs
Upon adoption of IFRS the Company will have a choice between retaining its existing policy of capitalizing all pre-feasibility evaluation and exploration ("E&E") expenditures and electing to change its policy retrospectively to expense all pre-feasibility E&E costs.

Impact on the Company: The Company will make a final determination of its policy in this area during Phase II.

Property, plant and equipment - cost
IFRS: IAS 16 contains more extensive guidance with respect to components within PP&E. When an item of property, plant and equipment comprises individual components for which different depreciation methods or rates are appropriate, each component is accounted for separately (component accounting). **Canadian GAAP**: Section 3061 essentially contains similar guidance but is less extensive.

Impact on the Company: The Company does not expect that this will have a material impact upon transition.

Provision for environmental rehabilitation
IFRS - IFRS 37 applies to a constructive obligation, where the event creates valid expectations that the entity will discharge the obligation, as well as a legal obligation. The amount recognized should be the best estimate of the expenditure required to settle the obligation at the balance sheet date. Present value should be used where the effect of the time value of money is material. The discount rate (or rates) utilized should be a pre-tax rate (or rates) that reflect(s) current market assessments of the time value of money and the risks specific to the liability. Provisions should be reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Impact on the Company: The Company does not expect that this will have a material impact upon transition.

Functional currency
The Company uses the Canadian dollar as both its functional and reporting currency. IAS 21 contains a more comprehensive framework for the determination of functional currency.

Impact on the Company: During Phase II the Company will review the IAS 21 criteria to determine whether there is a material impact upon transition at January 1, 2010 or at December 31, 2010 and for the interim periods and the year then ended. At the present time the Company does not expect a material impact.

Share-based compensation
IFRS: Under IFRS 2, graded vesting awards must be accounted for as though each instalment is a separate award. IFRS does not provide for an election to treat the instruments as a pool and recognize expense on a straight line basis. **Canadian GAAP**: Straight line basis is permissible under Canadian GAAP.

Impact on the Company: The Company has recognized option expense on a graded basis that is consistent with the IFRS 2 amortization methodology; as such the Company does not expect any significant transitional impact for options unvested at January 1, 2010. For options granted on or after January 1, 2010 the Company will calculate the aggregate fair value as though each instalment is a separate award and will amortize the value on a graded basis.

Impact on information systems and processes and controls

Based on findings from the diagnostic phase of the project the Company does not expect that adoption of International Accounting Standards will have a pervasive impact on its present systems and processes. The Company expects to implement certain minor changes to the general ledger account descriptions as well as the calculation methodologies currently in use for certain specific financial statement areas such as asset impairment, share-based compensation etc. As the accounting policies are selected, appropriate changes to ensure the integrity of internal control over financial reporting and disclosure controls and procedures will be made. For example, any changes in accounting policies could result in additional controls or procedures being required to address reporting of first time adoption as well as ongoing IFRS reporting requirements. At this point, the Company has not determined its final accounting policy choices. The certifying officers plan to complete the design, and initially evaluate the effectiveness of, any significant changes to controls in the third quarter of 2010 to prepare for certification under IFRS in 2011.

SECTION 1582 - 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. This applies to a transaction in which the acquirer obtains control of one or more businesses. Most assets acquired and liabilities assumed, including contingent liabilities that are considered to be improbable, will be measured at fair value. Any interest in the acquiree owned prior to obtaining control will be remeasured at fair value at the acquisition date, eliminating the need for guidance on step acquisitions. Additionally, a bargain purchase will result in recognition of a gain and acquisition costs must be expensed. The Company will adopt this standard on January 1, 2011.

SECTION 1601 - CONSOLIDATIONS AND SECTION 1602 - NON-CONTROLLING INTERESTS

CICA Handbook Sections 1601 "Consolidations" and Section 1602 "Non-Controlling Interests" replace Section 1600 "Consolidated Financial Statements". Section 1602 provides the Canadian equivalent to International Accounting Standard 27 - "Consolidated and Separate Financial Statements", for non-controlling interests. The Company will adopt this standard on January 1, 2011.

FINANCIAL INSTRUMENTS

FAIR VALUE

Canadian generally accepted accounting principles require that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates. See note 3 to the audited consolidated financial statements.

The carrying amounts for cash and cash equivalents, sundry receivables, accounts payable and accrued liabilities, and cheques issued in excess of cash on the balance sheets approximate fair value because of the limited term of these instruments. The fair value of the demand loan approximates carrying value due to the variability of the related interest rate. See Note 3 of the consolidated financial statements regarding the fair value of other investments.

At December 31, 2009, the Company's financial instruments that are carried at fair value, consisting of cash and bank loan have been classified as Level 1 within the fair value hierarchy. The fair value of the Company's Other Investments as disclosed in note 3, is determined by probability-weighted discounted cash flows considering the best available public information regarding market conditions and other factors that a market participant would consider for such investments. Therefore, the Company's Other Investments are classified within Level 3 of the fair value hierarchy.

LIQUIDITY RISK

As at December 31, 2009, the Company has a working capital of $3,687,176. The Company's ability to meet its financial obligations is dependent upon securing financing and the eventual recovery of the ABCP restructured notes, as the Company has approximately $5.4 million (net of an impairment charge of $5.0 million) invested in the ABCP restructured notes. The Company has also obtained a credit facility with a senior Canadian bank to finance the current working capital needs. See Notes 3 and 6 of the notes to the consolidated financial statements.

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 cash, sundry receivables and other investments.

Cash is held with a reputable Canadian financial institution, from which management believes the risk of loss to be minimal.

Financial instruments included in sundry receivables consist of goods and services tax due from the Federal Government of Canada and an advance to an officer of the Company. Sundry receivables are in good standing as of December 31, 2009. Management believes that the credit risk concentration with respect to financial instruments included in sundry receivables is minimal.

MARKET RISK
At the present time, the Company does not hold any interest in a mining property that is in production. The Company's viability and potential success depends on its ability to develop, exploit, and generate revenue from the development of mineral deposits. Revenue, cash flow, and profits from any future mining operations in which the Company is involved will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices can fluctuate widely and are affected by numerous factors beyond the Company's control.

INTEREST RATE RISK
The Company has cash balances and interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its financial institutions. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its financial institutions. As of December 31, 2009, interest rate risk is moderate since the Company has interest-bearing instruments based on prime rate and the bankers' acceptance rate.

FOREIGN EXCHANGE RISK
The Company is subject to foreign exchange risk as some of its operating and investing activities are transacted in currencies other than the Canadian dollar. The Company is therefore subject to gains and losses due to fluctuations in these currencies relative to the Canadian dollar. As at December 31, 2009, the Company had a cash balance of $381,366 in US currency as well as $406,231 in US$ ABCP restructured notes.

COMMODITY PRICE RISK
The ability of the Company to develop its properties and the future profitability of the Company is directly related to the market price of certain minerals.

SENSITIVITY ANALYSIS
The majority of the Company's cash and cash equivalents are at fixed interest rates. Sensitivity to a plus or minus 1% change in rates would not have a significant effect on the Company's net loss.

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a twelve-month period:

(i) The Company's other investments are subject to fair value fluctuations. As at December 31, 2009, if the fair value of the other investments had decreased/increased by 10% with all other variables held constant, net loss for the year ended December 31, 2009 would have been approximately $540,000 higher/lower. Similarly, as at December 31, 2009, reported shareholders' equity would have been approximately $540,000 lower/higher as a result of a 10% decrease/increase in the fair value of other investments.

The Company is exposed to foreign exchange fluctuations as a result of transactions with its subsidiary, Unigold Dominicana S.A. The Company does not use derivatives to mitigate its foreign currency risk.

CAPITAL MANAGEMENT

The Company considers its capital structure to consist of common shares and contributed surplus. The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support is exploration and corporate activities.

The Company is in the development stage and as such is dependent on external financing. In order to carry out planned exploration and development, and pay for administrative and operating costs, the Company will spend its existing working capital and draw additional amounts from its credit facilicy as needed.

Management reviews its capital management approach on an ongoing basis. There were no changes in the Company's approach to capital management during year ended December 31, 2009. The Company is not subject to externally imposed capital requirements.

The Company's objectives in managing capital are to safeguard its ability to operate as a going concern.

OUTSTANDING SHARE DATA

Details about the Company's outstanding common shares as at April 27, 2010 are as follows:

Common shares issued and outstanding	148,634,938
Potential issuance of common shares:	
Warrants	35,633,550
Stock options issued to directors, employees, officers and consultants	9,407,000
	193,675,488

RISKS AND UNCERTAINTIES

At the present time, the Company does not hold any interest in a mining property in production. The Company's viability and potential successes lie in its ability to develop, exploit and generate revenue out of mineral deposits. Revenues, profitability and cash flow from any future mining operations involving the Company will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices have fluctuated widely and are affected by numerous factors beyond the Company's control.

The Company has limited financial resources and there is no assurance that additional funding will be available to it for further exploration and development of its projects or to fulfill its obligations under applicable agreements. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the property interests of the Company with the possible dilution or loss of such interests.

QUALIFIED PERSON

The foregoing scientific and technical information has been prepared or reviewed by Daniel Danis, M.SC., the President and Chief Executive Officer of the Company. Mr. Danis is a "qualified person" within the meaning of National Instrument 43-101. Mr. Danis also supervises all work associated with the Company's exploration programs in the Dominican Republic.

Additional information relating to the Company may be accessed by visiting the SEDAR website at www.sedar.com.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements are the responsibility of the Company's management. The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect management's best current estimates.

Management has developed and maintains systems of internal control to ensure that the Company's assets are protected from loss or improper use, transactions are authorized and properly recorded and financial records are reliable.

The Board of Directors carries out its responsibilities for these consolidated financial statements principally through its Audit Committee. The Audit Committee meets periodically with management and the auditors to review the consolidated financial statements and the results of audit examinations.

McGovern, Hurley, Cunningham, LLP, Chartered Accountants, have audited the consolidated financial statements and their report outlines the scope of their examination and gives their opinion on the consolidated financial statements.

Daniel Danis
President & Chief Executive Officer

J. Del Campo

Joseph Del Campo
Chief Financial Officer

AUDITORS' REPORT

To the Shareholders of Unigold Inc.
(A Development Stage Company)

We have audited the consolidated balance sheets of Unigold Inc. (A Development Stage Company) as at December 31, 2009 and 2008 and the consolidated statements of operations and deficit, 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 December 31, 2009 and 2008 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

McGovern, Hurley, Cunningham, LLP

Chartered Accountants
Licensed Public Accountants

TORONTO, Canada
March 30, 2010

UNIGOLD INC. (A Development-Stage Company)

CONSOLIDATED BALANCE SHEETS

(Expressed in Canadian Dollars)

	As at December 31, 2009	As at December 31, 2008 (note 2)
Current assets		
Cash	$ 9,845,490	$ 172,185
Sundry receivables	42,581	439,614
Prepaid expenses *(note 9)*	58,531	39,752
	9,946,602	651,551
Other investments *(note 3)*	5,358,374	6,197,669
Equipment *(note 4)*	340,634	430,714
Mineral properties *(note 5)*	624,574	624,574
Deferred exploration costs *(note 5)*	12,122,388	10,675,311
	$ 28,392,572	$ 18,579,819
Current liabilities		
Accounts payable and accrued liabilities *(note 9)*	$ 184,811	$ 158,066
Cheques issued in excess of cash	–	74,179
Bank loan *(note 6)*	6,074,615	4,880,000
	6,259,426	5,112,245
Commitments and Contingencies *(notes 1, 3, and 12)*		
Non-controlling interest	2,831	2,831
Shareholders' Equity		
Common shares *(note 7(a))*	35,129,520	27,331,166
Share purchase warrants *(note 7(b))*	2,017,547	–
Contributed surplus *(note 7(d))*	2,500,547	2,500,547
Deficit	(17,517,299)	(16,366,970)
	22,130,315	13,464,743
	$ 28,392,572	$ 18,579,819

See accompanying notes to the consolidated financial statements

Approved on Behalf of the Board:

Joseph Del Campo
Director

Daniel Danis
Director

UNIGOLD INC. (A Development-Stage Company)

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

(Expressed in Canadian Dollars)

	Year ended December 31, 2009	Year Ended December 31, 2008 (note 2)
Revenue		
Interest income	$ 143,056	$ 404,312
Administrative expenses		
Listing and shareholder information	197,726	358,672
Foreign exchange loss (gain)	168,477	(254,147)
General and administrative expenses	164,146	179,919
Management services fees *(note 9)*	301,148	217,278
Travel and business development *(note 9)*	211,345	161,935
Professional and consulting fees *(note 9)*	168,751	179,827
Stock-based compensation *(note 7(c))*	–	530,740
Interest expense *(note 6)*	77,285	92,506
Provision for impairment of other investments *(note 3)*	–	2,200,000
Amortization	4,507	6,061
	1,293,385	3,672,791
Net loss for the year	(1,150,329)	(3,268,479)
Deficit, beginning of year	(16,366,970)	(13,098,491)
Deficit, end of year	$ (17,517,299)	$ (16,366,970)
Loss per share - Basic and diluted	$ (0.01)	$ (0.04)
Weighted average number of shares outstanding - Basic and diluted	86,645,002	85,832,566

See accompanying notes to the consolidated financial statements

UNIGOLD INC. (A Development-Stage Company)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

	Year ended December 31, 2009	Year ended December 31, 2008
Net loss for the year	$ (1,150,329)	$ (3,268,479)
Other comprehensive loss	–	–
Comprehensive loss for the year	$ (1,150,329)	$ (3,268,479)

See accompanying notes to the consolidated financial statements

UNIGOLD INC. (A Development-Stage Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

	Year ended December 31, 2009	Year ended December 31, 2008
Cash flows from operating activities		
Net loss for the year	$ (1,150,329)	$ (3,268,479)
Add items not requiring cash:		
Amortization	4,507	6,061
Foreign exchange loss (gain)	168,477	(254,147)
Provision for impairment of other investments *(note 3)*	–	2,200,000
Stock-based compensation *(note 7(c))*	–	530,740
	(977,345)	(785,825)
Net changes in non-cash working capital balances *(note 10)*	310,663	(337,997)
	(666,682)	(1,123,822)
Cash flows from financing activities		
Bank loan	1,194,615	4,370,000
Exercise of stock options	–	8,250
Private placement proceeds	10,675,150	–
Private placement costs	(859,249)	–
	11,010,516	4,378,250
Cash flows from investing activities		
Deferred exploration costs	(1,341,347)	(3,196,717)
Redemption of other investments *(note 3)*	670,818	–
	(670,529)	(3,196,717)
Increase in cash	9,673,305	57,711
Cash, beginning of year	172,185	114,474
Cash, end of year	$ 9,845,490	$ 172,185
Supplemental information		
Income taxes paid	$ –	$ –
Interest paid *(note 6)*	77,285	92,506
Warrants issued for services *(note 7(b))*	254,000	–
Amortization included in deferred exploration costs *(note 4)*	85,573	108,436

See accompanying notes to the consolidated financial statements

UNIGOLD INC. (A Development-Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2009 and 2008 (Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Unigold Inc. (the "Company") is a development stage company, as defined by the Canadian Institute of Chartered Accountants Accounting Guideline 11, and is in the process of exploring its mineral properties in the Dominican Republic.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values. The Company's mineral property interests are located outside of Canada and are subject to the risk of foreign investment, including increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations, and political uncertainties.

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 state of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory and environmental requirements.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles 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 consolidated financial statements.

The Company has approximately $5.4 million (net of an impairment charge of $5.0 million) invested in restructured asset-backed-commercial paper in which no active market currently exists and the funds cannot be accessed. See Note 3 for details. There is no assurance as to the ultimate full recovery of these funds.

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. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations.

The accompanying consolidated financial statements do not include any adjustments relating to the carrying values and classification of assets or liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Canada and the basis of application is consistent with that of the previous year except where disclosed below. The significant accounting policies are summarized as follows:

PRINCIPLES OF CONSOLIDATION

These consolidated financial statements include the accounts of the Company, which is incorporated in Canada under the Ontario Business Corporations Act, and its wholly-owned subsidiary, Unigold Resources Inc., which is incorporated in Canada under the Canada Business Corporations Act, and its 96.7% owned subsidiary, Unigold Dominicana, S.A., which is incorporated in the Dominican Republic. All material intercompany balances and transactions have been eliminated.

FOREIGN EXCHANGE TRANSLATION

The Company considers the Canadian dollar to be the functional currency of its primary operations and, accordingly, amounts denominated in other currencies are translated into Canadian dollars using the temporal method as the subsidiaries are integrated. This method translates monetary balances at the rates of exchange at the dates of the consolidated balance sheet, non-monetary balances at historical exchange rates and revenue and expense items at average exchange rates during the year, except for amortization which is translated at rates pertaining to the related equipment. The resulting gains and losses are included in the consolidated statements of operations and deficit.

MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS

Mineral properties are recorded at the direct cost of acquisition. Costs include the cash consideration and the fair market value of the shares issued for the acquisition of mineral properties. Deferred exploration costs represent the costs incurred in conducting exploration work for unknown or unproven ore deposits. These costs are deferred until the commencement of commercial mining operations, or until such time that the interests in the associated properties are disposed of. Deferred exploration costs associated with projects, which prove to be economically unviable, are written off. Proceeds derived from the full or partial disposal of interests in properties are credited against the carrying cost of the related property.

The amounts shown for both mineral properties and deferred exploration costs represent costs incurred to date and do not necessarily reflect present or future values.

The Company reviews its mineral properties to determine if events or changes in circumstances have transpired which indicate that the carrying value of its assets may not be recoverable. The recoverability of costs incurred on the mineral properties is dependent upon numerous factors including exploration results, environmental risks, commodity risks, political risks, and the Company's ability to attain profitable production. An impairment loss is recognized when the carrying amount of the mineral properties is not recoverable and exceeds its fair value. It is reasonably possible, based on existing knowledge, that changes in future conditions in the near-term could require a change in the determination of the need for and amount of any write-down.

ASSET RETIREMENT OBLIGATIONS

The Company will record a liability for the estimated future costs associated with legal obligations relating to the reclamation and closure of its mining properties. This amount is initially recorded at its discounted present value with subsequent annual recognition of an accretion amount on the discounted liability. An equivalent amount is recorded as an increase to mineral properties and deferred exploration costs and is amortized over the useful life of the properties. The Company does not believe that it currently has any legal obligations relating to the reclamation of its mineral properties as at December 31, 2009 and 2008.

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the related reported amounts of revenue and expense during the reporting period. Such estimates and assumptions affect the carrying value of assets, impact decisions as to when exploration and development costs should be capitalized or expensed, and estimates for asset retirement obligations and reclamation costs. Other significant estimates made by the Company include factors affecting valuations of stock-based compensation, warrants, other investments, impairment provisions and tax accounts. Actual results could differ from those estimates. Management believes that the estimates are reasonable.

STOCK-BASED COMPENSATION

The Company follows the fair value method of accounting for all stock-based compensation arrangements. The fair value of each option granted during the period is accounted for in operations over the vesting period of the option using the Black-Scholes option pricing model on the date of the grant, with the related increase to contributed surplus. When options are exercised, the proceeds received, together with any amount in contributed surplus will be credited to share capital.

LOSS PER SHARE

Basic loss per share is calculated using the weighted average number of shares outstanding. Diluted loss per share is calculated using the treasury stock method. In order to determine diluted loss per share, the treasury stock method assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. The diluted loss per share calculation excludes any potential conversion of options and warrants that would increase earnings per share or decrease loss per share. See notes 7(b) and (c) for potentially dilutive securities as at December 31, 2009 and 2008. The outstanding options and warrants to purchase common shares were not included in the computation of the diluted loss per share because the effect would be anti-dilutive.

EQUIPMENT AND AMORTIZATION

Equipment is recorded at cost. The equipment noted below is amortized over their estimated useful lives using the following annual rates and methods.

Office furniture and equipment	20% declining balance
Computer equipment	30% declining balance
Vehicles	30% declining balance
Field equipment	20% declining balance

Amortization of equipment related to exploration activities has been capitalized to deferred exploration costs.

An impairment loss is recognized when the undiscounted cash flows expected from use and the eventual disposition of the asset are less than the carrying amount of the asset. An impairment charge is recorded to reduce the carrying value of the asset to its fair value.

INCOME TAXES

The Company uses the asset and the liability method of accounting for income taxes. Under this method of tax allocation, future income taxes are determined based on the differences between the financial reporting amounts and tax bases of assets and liabilities. These income tax assets and liabilities are measured using the enacted or substantively enacted tax rates that are expected to be in effect in the periods in which the income tax assets and liabilities are expected to be settled or realized. A valuation allowance is provided to the extent that it is more likely than not that future income tax assets will not be realized.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand and balances with banks and short-term deposits with original maturities of three months or less. The deposits are held in a Canadian chartered bank or a financial institution controlled by a Canadian chartered bank.

FINANCIAL INSTRUMENTS - RECOGNITION AND MEASUREMENT

All financial assets and financial liabilities are measured at fair value on initial recognition and their subsequent measurement is determined by the classification of each financial asset and liability. Financial assets and financial liabilities held-for-trading are measured at fair value with the changes in fair value reported in operations. Financial assets held-to-maturity, loans and receivables and financial liabilities other than those held-for-trading are measured at amortized cost. Available-for-sale financial assets are measured at fair value with changes in fair value reported in other comprehensive income until the financial asset is disposed of, or becomes impaired.

The Company has classified its financial instruments as follows:

Cash and cash equivalents	-	Held-for-trading
Sundry receivables	-	Loans and receivables
Other investments	-	Held-for-trading
Accounts payable and accrued liabilities	-	Other liabilities
Bank loan	-	Other liabilities
Cheques issued in excess of cash	-	Other liabilities

COMPREHENSIVE INCOME (LOSS)

Comprehensive income or loss includes unrealized gains and losses on available-for-sale investments, gains and losses on certain derivative instruments, none of which are included in the calculation of net earnings until realized.

CHANGES IN ACCOUNTING POLICIES ADOPTED IN 2009

Goodwill and other intangible assets

The Company adopted CICA Handbook Section 3064, "Goodwill and Other Intangible Assets". The new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. The adoption of this new standard resulted in the Company writing off retrospectively the Public listing status in the amount of $100,000. The opening deficit at January 1, 2008 has been revised by this amount to reflect this change.

EIC 173 - Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the CICA approved EIC 173 "Credit Risk and the Fair Value of Financial Assets and Financial 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 Company is continually evaluating its counterparties and their credit risks. The adoption of this abstract had no impact on the Company's presentation of its financial position or results of operations as at and for the year ended December 31, 2009. Adoption of this standard had no impact on the consolidated financial statements.

EIC 174 - Mining Exploration Costs

On March 27, 2009, the EIC issued EIC-174. In this EIC the Committee reached a consensus 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 adoption of this abstract had no impact on the Company's presentation of its financial position or results of operations as at December 31, 2009. Adoption of this standard had no impact on the consolidated financial statements.

Financial Instruments

In May 2009, the CICA amended Section 3862, "Financial Instruments - Disclosures" to include additional disclosure requirements about fair value measurement for financial instruments and liquidity risk disclosures. These amendments require a three level hierarchy that reflects the significance of the inputs used in making the fair value measurements. Fair values of assets and liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Assets and liabilities in Level 2 include valuations using inputs other than quoted prices for which all significant outputs are observable, either directly or indirectly. Level 3 valuations are based on inputs that are unobservable and significant to the overall fair value measurement. The adoption of this new standard resulted in additional disclosures in the notes to the consolidated financial statements.

FUTURE ACCOUNTING CHANGES

Adoption of International Accounting Standards

In February 2008, the CICA announced that Canadian generally accepted accounting principles for publicly accountable enterprises will be replaced by International Financial Reporting Standards ("IFRS") for fiscal years beginning on or after January 1, 2011. Companies will be required to provide IFRS comparative information for the previous fiscal year. Accordingly, the conversion from Canadian GAAP to IFRS will be applicable to the Company's reporting for the first quarter of 2011 for which the current and comparative information will be prepared under IFRS. The Company is required to apply all of those IFRS standards which are effective for fiscal year ending December 31, 2011 and apply them to its opening January 1, 2010 balance sheet.

The Company has completed the initial diagnostic phase and will continue to update its disclosures throughout 2010 to reflect specific actions taken to facilitate changeover to IFRS effective January 1, 2011. The Company is currently assessing the impact of this standard on its consolidated financial statements.

Section 1582 - 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. This applies to a transaction in which the acquirer obtains control of one or more businesses. Most assets acquired and liabilities assumed, including contingent liabilities that are considered to be improbable, will be measured at fair value. Any interest in the acquiree owned prior to obtaining control will be remeasured at fair value at the acquisition date, eliminating the need for guidance on step acquisitions. Additionally, a bargain purchase will result in recognition of a gain and acquisition costs must be expensed. The Company will adopt this standard on January 1, 2011. The Company does not believe adoption of this standard will have a material effect on the consolidated financial statements.

Section 1601 - Consolidations and Section 1602 - Non-Controlling Interests

CICA Handbook Section 1601 "Consolidations" and Section 1602 "Non-Controlling Interests" replace Section 1600 "Consolidated Financial Statements". Section 1602 provides the Canadian equivalent to International Accounting Standard 27 - "Consolidated and Separate Financial Statements", for non-controlling interests. The Company will adopt this standard on January 1, 2011. The Company is currently assessing the impact of this standard on its consolidated financial statements.

3. OTHER INVESTMENTS

The Company owns approximately $5.4 million of fair value of long-term asset-backed notes that were issued by Master Asset Vehicle II ("MAV2") and Master Asset Vehicle III ("MAV3") special purpose entities that were created as a result of the restructuring of the Company's previous investment in third party asset-backed commercial paper ("ABCP") having a face value of approximately $10.3 million. When the ABCP matured but was not redeemed in 2007, it became the subject of a restructuring process that replaced the ABCP with long-term asset-backed securities ("New Notes"). The restructuring was completed and the New Notes were issued on January 21, 2009. During 2009, the Company received approximately $700,000 from the redemption of these notes.

The restructuring process pooled all of the underlying assets from all the ABCP trusts with the exception of those assets designated as ineligible for pooling ("Ineligible Assets") and those series of assets backed exclusively by traditional financial assets ("Traditional Series"). ABCP relating to the pooled assets was replaced with four classes of assetbacked notes named A1, A2, B and C in declining order of seniority. ABCP relating to Ineligible Assets and Traditional Series was replaced with new tracking notes whose characteristics are designed to track the performance of the particular assets of the series to which they correspond. The Company has estimated the fair value of ABCP at December 31, 2009 and 2008 using the methodology and assumptions outlined below.

The following table summarizes the Company's valuation as at December 31, 2009 and 2008:

	2009			2008	
	Face Value	Fair Value Estimate	Maturity Date	Face Value	Fair Value Estimate
		Millions			Millions
Master Asset Vehicle 2 Notes					
A1 and A2 (rated A)	$ 8.7	$ 5.0	December 2016	$ 8.9	$ 5.1
B and C	1.2	0.2	December 2016	1.1	0.3
Master Asset Vehicle 3 Tracking Note	0.1	0.1	September 2015	0.9	0.7
Ineligible Asset Tracking Note	0.3	0.1	October 2016	0.3	0.1
	$ 10.3	$ 5.4		$ 11.2	$ 6.2

The Company's valuation methodology entails gathering as many facts as possible about the New Notes, making assumptions and estimates where certain facts are unavailable, and then applying its best estimate of prospective buyers' required yield for investing in such notes. These figures are then used to calculate the present value of the New Notes using required yield as the discount factor. Using a range of potential discount factors allows the Company to estimate a range of recoverable values.

The A1 and A2 notes comprise the major categories of the notes received totaling approximately 84% of the face value of the original investments made, and approximately 93% of the fair value estimate of the Company's holdings. In the case of the A1 and A2 notes, it is estimated that they will pay interest at a rate of 0.5% less than the bankers' acceptance ("BA") rate and it is estimated that prospective buyers of these notes will require premium yields between 6% and 8% over the BA rate.

The traditional asset note is estimated to generate interest income of 0.5% above the BA rate and a prospective buyer of those notes is estimated to require a premium of 5.75% over the BA rate.

The Class B notes are not expected to pay any current interest until the Class A1 and A2 notes are paid in full. The Class C notes also will not pay any current interest and are subordinate to the Class B notes.

Based upon a sensitivity analysis of the assumptions used, the expected yield required by a potential investor remains the most significant assumption included in the fair value estimate. Based on this exercise the Company estimated that as at December 31, 2009, the range of potential values was between $5.2 million and $6.0 million (2008 - $5.5 million to $6.4 million). There can be no assurance that this estimate will be realized. Subsequent adjustments, which could be material, may be required in future reporting periods.

4. EQUIPMENT

	As at December 31, 2009			As at December 31, 2008		
	Cost	**Accumulated Amortization**	**Net**	Cost	Accumulated Amortization	Net
Office furniture and equipment	**$ 20,618**	**$ 12,173**	**$ 8,445**	$ 20,618	$ 10,062	$ 10,556
Computer equipment	**41,080**	**34,994**	**6,086**	41,080	32,386	8,694
Vehicles	**103,149**	**81,667**	**21,482**	103,149	72,461	30,688
Field equipment	**701,632**	**397,011**	**304,621**	701,632	320,856	380,776
	$ 866,479	**$ 525,845**	**$ 340,634**	$ 866,479	$ 435,765	$ 430,714

Vehicles and Field equipment relate to the Company's exploration activities. During the year ended December 31, 2009, $85,573 (2008 - $108,436) of amortization was capitalized to Deferred Exploration Costs.

5. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS

Mineral properties and deferred exploration costs consist of the following:

	Balance, December 31, 2007	Additions	Balance, December 31, 2008	Additions	Balance, December 31, 2009
Mineral properties					
Neita	$ 283,747	$ –	$ 283,747	$ –	$ 283,747
Los Guandules	340,827	–	340,827	–	340,827
	$ 624,574	$ –	$ 624,574	$ –	$ 624,574
Deferred exploration costs					
Neita	$ 7,412,278	$ 3,263,033	$10,675,311	$ 1,447,077	$12,122,388
Los Guandules	–	–	–	–	–
	$ 7,412,278	$ 3,263,033	$10,675,311	$ 1,447,077	$12,122,388
Total	$ 8,036,852	$ 3,263,033	$11,299,885	$ 1,447,077	$12,746,962

NEITA PROPERTY

The Company owns 100% of the exploration rights for gold, silver, zinc, copper and all associated minerals on the Neita Property in northwestern Dominican Republic, as well as a sole and exclusive option for the commercial mining of the mineral deposits. In 2006, the regulatory authorities in the Dominican Republic granted the Neita Property exploration concession status. The exploration concession is issued for three years plus two one-year extensions after which it must be converted to an exploitation license which is issued for 75 years at a cost of zero dollars. During 2009, the Company applied for and received a one-year extension of the exploration concession, which expired April 24, 2010. The Company has renewed this concession for an additional year subsequent to year end.

LOS GUANDULES

On February 16, 2004, the Company entered into a definitive agreement with Americana de Exploitaciones Mineras, S.A. ("Americana"), a Dominican private company, and the shareholders thereof, relating to the acquisition by the Company of the Los Guandules concession in the Municipalities of Elias Pina and Dajabon, Dominican Republic. Under the terms of the agreement, in consideration for the payment of US$30,000 (which has been previously paid) and the issue of an aggregate of 330,000 common shares of the Company (issued and valued at $257,400), the Company has been granted an option to acquire, at its election, the rights of Americana under the Los Guandules concession agreement or all of the shares of Americana for the price of $1.00 at any time for a period of five years. Americana has extended the option period on the Los Guandules concession for two additional years. The extension of concession expires April 26, 2010. The Company has renewed this concession for an additional year subsequent to year end.

6. BANK LOAN

The Company has obtained from a senior Canadian bank (the "Bank") a revolving credit facility of up to an amount not exceeding $7,456,765, in Canadian dollars, and up to an amount not exceeding $746,487 in U.S. dollars, by way of floating rate advances, to be used to finance the Company's working capital needs. Advances bear interest at the Canadian prime rate less 1% per annum and are due on demand. To secure the repayment of advances made under this credit facility, the Company has granted in favour of the Bank a first-ranking hypothecation of the ABCP restructured notes described in note 3.

As at December 31, 2009, the Company had drawn down $6,074,615 (2008 - $4,880,000) of the Canadian dollar credit facility and has paid $77,285 (2008 - $92,506) in interest. No US dollars have been drawn down.

7. SHARE CAPITAL

a) Common Shares

Authorized - unlimited number of common shares without par value
Issued - 148,634,938 common shares

Transactions during the years ended December 31, 2009 and 2008 are as follows:

	Number of Shares	Amount
Balance, December 31, 2007	85,814,938	$ 27,320,166
Shares Issued:		
Stock options exercised	25,000	8,250
Stock options exercised - valuation	–	2,750
Balance, December 31, 2008	85,839,938	$ 27,331,166
Private placement	62,795,000	10,675,150
Warrants valuation *(note 7 (b))*	–	(1,968,869)
Share issue costs	–	(1,113,249)
Warrant issue cost allocation *(note 7(b))*	–	205,322
Balance, December 31, 2009	148,634,938	$ 35,129,520

On December 1, 2009, the Company closed a private placement of 62,795,000 units of the Company (the "Units") at a price of $0.17 per Unit for aggregate gross proceeds of $10,675,150 (the "Offering").

Each Unit consisted of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant shall entitle the holder thereof to acquire one common share of the Company (the "Warrant Shares") at a price of $0.30 at any time until December 1, 2011. In the event that the closing trading price of the common shares of the Company on the TSX Venture Exchange (or such other stock exchange or quotation system on which the common shares are listed and where a majority of the trading volume occurs) exceeds $0.45, for a period of 20 consecutive trading days, the Company may provide notice to the holders of Warrants that the Company intends to accelerate the expiry of the Warrants and that the Warrants will thereafter expire on the date which is 30 days after the date that such notice was provided to the holders of Warrants.

As compensation for the services rendered by the Agents in connection with the Offering, the Agents received a cash fee in the aggregate amount of $720,128 and an aggregate of 4,236,050 broker warrants of the Company (the "Broker Warrants") with each Broker Warrant entitling the holder thereof to purchase one common share of the Company at a price of $0.30 at any time until December 1, 2011 with a grant date fair value of $254,000 (note 7(b)). The Company also incurred additional share issue costs of $139,121 related to this private placement. Individuals related to an officer and director of the Company subscribed for 60,000 Units for gross proceeds of $10,200 and a director of the Company subscribed for 120,000 Units for gross proceeds of $20,400.

b) Share Purchase Warrants

A summary of share purchase warrants outstanding and changes during the periods indicated is presented below:

	December 31, 2009			December 31, 2008		
	Number	Weighted average exercise price	Weighted average grant date fair value	Number	Weighted average exercise price	Weighted average grant date fair value
Balance, beginning of year	–	–	$ –	–	–	$ –
Issued - warrants	31,397,500	$ 0.30	1,968,869	–	–	–
Issued - broker warrants	4,236,050	$ 0.30	254,000	–	–	–
Warrant issue costs	–	–	(205,322)	–	–	–
Balance, end of year	35,633,550	$ 0.30	$ 2,017,547	–	–	$ –

As a result of the $10,675,150 private placement in December 2009, the Company issued 31,397,500 warrants, and 4,236,050 broker warrants to purchase common shares of the Company at a price of $0.30 per share until December 1, 2011. The fair value of these warrants issued in this private placement was estimated at the date of grant using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 120.2%; risk-free interest rate of 1.09%, and an expected life of 24 months. The grant date fair value of the warrants is $0.06.

c) Stock Option Plan

The Company has a stock option plan (the "Plan"), the purpose of which is to attract, retain and motivate management, staff and consultants by providing them with the opportunity, through share options, to acquire a proprietary interest in the Company and benefit from its growth. The maximum number of options to be issued under the plan shall not exceed 10% of the total number of common shares issued and outstanding. The options are non-transferable and may be granted for a term not exceeding five years. The exercise price of the options shall be determined by the board of directors on the basis of the market price of the common shares, subject to all applicable regulatory requirements.

No stock options were granted during the year ended December 31, 2009. During the year ended December 31, 2008, the Company granted 3,122,000 stock options to officers, directors and consultants at an exercise price of $0.25 for 5 years which vested immediately. The fair value of the options granted in 2008 was estimated at the grant date to be $530,740 and was based on the Black-Scholes option pricing model, using the following assumptions: i) risk-free interest rate of 2.95%; ii) expected life of 5 years; iii) expected volatility of 108% and iv) expected dividend yield of 0%. The grant date fair value of the stock options was $0.17.

A summary of the Stock Option Plan as at December 31, 2009 and December 31, 2008 and changes during these periods is presented below:

	December 31, 2009			December 31, 2008		
	Number		Weighted average exercise price	Number		Weighted average exercise price
Outstanding, beginning of year	**5,062,000**	**$**	**0.42**	3,080,000	$	0.69
Granted	–		–	3,122,000	$	0.25
Exercised	–		–	(25,000)	$	0.33
Expired	**(340,000)**	**$**	**0.25**	(1,115,000)	$	0.66
Outstanding, end of year	**4,722,000**	**$**	**0.44**	5,062,000	$	0.42

As at December 31, 2009, the Company had stock options issued to directors, officers, employees and consultants of the Company as follows:

Number of Options Outstanding	Number of Options Exercisable	Exercise Price	Expiry Date
1,600,000	1,600,000	$0.80	October 2, 2011
3,122,000	3,122,000	$0.25	September 4, 2013
4,722,000	4,722,000		

As at December 31, 2009, the weighted average remaining contractual term of the options exercisable and outstanding was 3.03 years (2008 - 3.81 years).

d) Contributed Surplus

A summary of contributed surplus activity during the years ended December 31, 2009 and 2008 is presented below:

	December 31, 2009	December 31, 2008
Balance, beginning of year	$ 2,500,547	$ 1,972,557
Stock-based compensation - employees	–	445,400
Stock-based compensation - non-employees	–	85,340
Stock options exercised	–	(2,750)
Balance, end of year	$ 2,500,547	$ 2,500,547

8. INCOME TAXES

a) Provision for Income Taxes

Major items causing the Company's income tax rate to differ from the combined Canadian federal and provincial statutory rate of approximately 33% (2008 - 33.5%) were as follows:

	December 31, 2009	December 31, 2008
Loss before income taxes:	$ (1,150,329)	$ (3,268,479)
Expected income tax (recovery)	(380,000)	(1,095,000)
Increase (decrease) resulting from:		
Stock-based compensation	–	178,000
Impairment of long-term investment	–	368,000
Share issue costs	(284,000)	–
Losses expiring	228,000	209,000
Change in tax rates	571,000	73,000
Other	(52,000)	10,000
Change in valuation allowance	(83,000)	257,000
	$ –	$ –

b) Future Income Tax Balances

The tax effects of temporary differences that give rise to future income tax assets at December 31, 2009 and 2008 are as follows:

	December 31, 2009	December 31, 2008
Future income tax assets - long-term portion:		
Equipment	$ 134,000	$ 131,000
Non-capital losses	1,919,000	1,974,000
Resource properties	668,000	776,000
Share issue costs	192,000	50,000
Other investments	625,000	690,000
Valuation allowance	(3,538,000)	(3,621,000)
	$ –	$ –

The Company has approximately $888,000 (2008 - $888,000) and $1,795,000 (2008 - $1,795,000) of Canadian development expenses and Canadian exploration expenditures, respectively, and $1,429,000 (2008 - $1,429,000) of foreign exploration expenditures as at December 31, 2009 which, under certain circumstances, may be utilized to reduce taxable income of future years. As at December 31, 2009, the Company had available for deduction against future taxable income, non-capital losses in Canada of approximately $7,236,000 (2008 - $6,527,000) which expire as follows:

Year of Expiry	Amount
2010	$ 1,284,000
2014	1,002,000
2015	618,000
2026	959,000
2027	1,309,000
2028	665,000
2029	1,399,000
	$ 7,236,000

9. RELATED PARTY CONTRACTUAL OBLIGATIONS AND TRANSACTIONS

Included in the accounts for the years ended December 31, 2009 and 2008 are payments made to officers, directors and corporations under the control or significant influence of officers and directors of the Company as follows:

	2009	2008
Management services fees paid to corporations controlled by or have significant influence by officers and directors of the Company	$ 297,735	$ 201,305
Travel and business development expenditures paid to a corporation controlled by a director of the Company	$ 120,000	$ 40,000
Professional fees paid to an officer and director of the Company	$ 90,500	$ 65,000
Professional fees paid to a law firm where a director of the Company is also a partner	$ 29,545	$ 8,268
Shareholder information expenditures paid to a corporation controlled by a director of the Company	$ –	$ 10,000
Deferred exploration costs paid to a corporation controlled by an officer and a director of the Company	$ –	$ 105,000

Included in prepaid expenses as at December 31, 2009 is an advance in the net amount of $28,837 (2008 - $9,632) to a corporation controlled by a director of the Company for continuing costs associated with a listing on a foreign stock exchange and business development expenditures, and a travel advance of $20,000 (2008 - $20,000) to an officer and director of the Company. Included in accounts payable and accrued liabilities is $2,330 (2008 - $12,598) payable to a law firm where a director of the Company is also a partner. These balances are non-interest bearing and unsecured with no fixed terms of repayment. See also Note 7 (a).

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 to by the related parties.

10. CONSOLIDATED STATEMENTS OF CASH FLOWS

The net change in non-cash working capital balances related to operating activities consists of the following:

	2009	2008
Sundry receivables	$ 397,033	$ (395,919)
Prepaid expenses	(18,779)	65,013
Accounts payable and accrued liabilities	6,588	24,973
Cheques issued in excess of cash	(74,179)	(32,064)
	$ 310,663	$ (337,997)

11. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous period.

FAIR VALUE

Canadian generally accepted accounting principles require that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates. See note 3.

The carrying amounts for cash and cash equivalents, sundry receivables, accounts payable and accrued liabilities, and cheques issued in excess of cash on the balance sheets approximate fair value because of the limited term of these instruments. The fair value of the bank loan approximates carrying value due to the variability of the related interest rate. See note 3 regarding the fair value of other investments.

At December 31, 2009, the Company's financial instruments that are carried at fair value, consisting of cash and bank loan have been classified as Level 1 within the fair value hierarchy. The fair value of the Company's Other Investments as disclosed in note 3, is determined by probability-weighted discounted cash flows considering the best available public information regarding market conditions and other factors that a market participant would consider for such investments. Therefore, the Company's Other Investments are classified within Level 3 of the fair value hierarchy.

LIQUIDITY RISK

As at December 31, 2009, the Company has a working capital of $3,687,176. The Company's ability to meet its financial obligations is dependent upon securing financing and the eventual recovery of the ABCP restructured notes, as the Company has approximately $5.4 million (net of an impairment charge of $5.0 million) invested in the ABCP restructured notes. The Company has also obtained a credit facility with a senior Canadian bank to finance its current working capital needs. See notes 3 and 6.

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 cash, sundry receivables and other investments.

Cash is held with a reputable Canadian financial institution, from which management believes the risk of loss to be minimal.

Financial instruments included in sundry receivables consist of goods and services tax due from the Federal Government of Canada and an advance to an officer of the Company. Sundry receivables are in good standing as of December 31, 2009. Management believes that the credit risk concentration with respect to financial instruments included in sundry receivables is minimal.

MARKET RISK

At the present time, the Company does not hold any interest in a mining property that is in production. The Company's viability and potential success depends on its ability to develop, exploit, and generate revenue from the development of mineral deposits. Revenue, cash flow, and profits from any future mining operations in which the Company is involved will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices can fluctuate widely and are affected by numerous factors beyond the Company's control.

INTEREST RATE RISK

The Company has cash balances and interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its financial institutions. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its financial institutions. As of December 31, 2009, interest rate risk is moderate since the Company has interest-bearing instruments based on prime rate and the bankers' acceptance rate.

FOREIGN EXCHANGE RISK

The Company is subject to foreign exchange risk as some of its operating and investing activities are transacted in currencies other than the Canadian dollar. The Company is therefore subject to gains and losses due to fluctuations in these currencies relative to the Canadian dollar. As at December 31, 2009, the Company had a cash balance of $381,366 in US currency and $406,231 in US ABCP restructured notes.

COMMODITY PRICE RISK

The ability of the Company to develop its properties and the future profitability of the Company is directly related to the market price of certain minerals.

SENSITIVITY ANALYSIS

The majority of the Company's cash and cash equivalents are at fixed interest rates. Sensitivity to a plus or minus 1% change in rates would not have a significant effect on the Company's net loss.

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a twelve-month period:

(i) The Company's other investments are subject to fair value fluctuations. As at December 31, 2009, if the fair value of the other investments had decreased/increased by 10% with all other variables held constant, net loss for the year ended December 31, 2009 would have been approximately $540,000 higher/lower. Similarly, as at December 31, 2009, reported shareholders' equity would have been approximately $540,000 lower/higher as a result of a 10% decrease/increase in the fair value of other investments.

The Company is exposed to foreign exchange fluctuations as a result of transactions with its subsidiary, Unigold Dominicana S.A. The Company does not use derivatives to mitigate its foreign currency risk.

12. COMMITMENTS, CONTINGENCIES AND CONTRACTUAL OBLIGATIONS

The Company is a party to certain management contracts. These contracts contain clauses requiring that $216,000 be paid upon a change of control of the Company. As the likelihood of these events taking place is not determinable, the contingent payments have not been reflected in these consolidated financial statements. Minimum commitments remaining under these contracts were approximately $306,000 over the following years:

Year	Amount ($)
2010	216,000
2011	90,000
	306,000

The Company's exploration activities are subject to various federal, provincial and international 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.

13. CAPITAL MANAGEMENT

The Company considers its capital structure to consist of common shares, warrants, contributed surplus and a bank operating loan. The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support its exploration and corporate activities. The Company is in the development stage and, as such, is dependent on external financing. In order to carry out planned explorations, developments and pay for administration and operating costs, the Company will spend its existing working capital and draw additional amounts from its existing credit facility as needed.

Management reviews its capital management approach on an ongoing basis. There were no changes in the Company's approach to capital management during the year ended December 31, 2009. The Company is not subject to externally imposed capital requirements.

The Company's objectives in managing capital are to safeguard its ability to operate as a going concern. See Note 3.

14. SEGMENTED INFORMATION

The Company's only activity is mineral exploration and development. All of the Company's exploration activities relate to properties in the Dominican Republic referred to in Note 5.

	2009			2008 (restated)		
	Canada	Dominican Republic	Total	Canada	Dominican Republic	Total
Assets	$ 15,158,674	$ 13,233,898	$ 28,392,572	$ 6,694,744	$ 11,885,075	$ 18,579,819
Liabilities	6,133,352	126,074	6,259,426	5,006,328	105,917	5,112,245
Interest income	142,600	456	143,056	402,840	1,472	404,312
Administrative expenses	1,268,267	25,118	1,293,385	3,679,078	(6,287)	3,672,791

All of the Company's field equipment is physically located in the Dominican Republic.

15. SUBSEQUENT EVENTS

a) On January 21, 2010, the Company granted 4,685,000 stock options at an exercise price of $0.26 to certain directors, officers and consultants. The options vested immediately and expire on January 21, 2015.

b) See note 5.

CORPORATE INFORMATION

DIRECTORS

Dr. Talal A. Alshair Ph.D.
Chairman of the Board of Directors

Daniel Danis M.Sc
Director

Joseph Del Campo CMA(1)
Director

René Branchaud LLB(1, 2)
Director

Charles Page M.Sc., P.Geo(2)
Director

Joseph Hamilton P.Geo, CFA(2)
Director

Jose Acero(1)
Director

Dr. Ibrahim M. Eitani Ph.D
Director

Edmond Saadah
Director

(1) Audit Committee
(2) Compensation, Corporate Governance and Nominating Committee

OFFICERS

Daniel Danis M.Sc.
President & Chief Executive Officer

Joseph Del Campo CMA
Chief Financial Officer

STOCK LISTING

TSX Venture Exchange,
Tier 2 Company, Trading Symbol UGD
NASDAQ Dubai, Trading Symbol UGD

AUDITORS

McGovern, Hurley, Cunningham LLP,
Toronto, Ontario

LEGAL COUNSEL

Fraser Milner Casgrain LLP,
Toronto, Ontario

Garcia Campos & Asociados,
Santo Domingo, Dominican Republic

REGISTRAR & TRANSFER AGENT

Computershare Trust Company of Canada,
Toronto, Ontario

BANKERS

National Bank of Canada, Toronto, Ontario

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ANNUAL AND SPECIAL MEETING

The Annual and Special Meeting of Shareholders will be held at 10:00am on Tuesday, June 29, 2010 at the Toronto Board of Trade, 1 First Canadian Place, 3rd Floor, Toronto, Ontario, Canada

INVESTOR RELATIONS

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UNIGOLD

Mapping on one of our DR licensed areas

The Dominican Republic project is a unique opportunity for Unigold because of its exceptional geology and attractive business climate.

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