AFRICA WEST MINERALS CORP.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

February 28, 2010

(Unaudited)

MANAGEMENT'S COMMENTS ON
UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited interim consolidated financial statements of Africa West Minerals Corp. as at February 28, 2010 and May 31, 2009 and for the three and nine months ended February 28, 2010 and 2009 have been prepared by and are the responsibility of the Company's management. These statements have not been reviewed by the Company's external auditors.

AFRICA WEST MINERALS CORP.
INTERIM CONSOLIDATED BALANCE SHEETS
(Unaudited)

	February 28, 2010	(Note 13) May 31, 2009
ASSETS		
Current Assets		
Cash and cash equivalents (Note 2)	$ 67,581	$ 36,490
Investment	7,500	-
Accounts receivable	3,231	5,790
Prepaid expenses	4,099	3,960
	82,411	46,240
Equipment (Note 4)	148	68,466
Mineral Property Advances	89,000	99,673
Mineral Property Interests (Statement) (Note 5)	1,939,860	1,975,819
Deferred Exploration Expenditures (Statement)	951,667	881,013
	$ 3,063,086	$ 3,071,211
LIABILITIES		
Current Liabilities		
Accounts payable and accruals (Note 7)	$ 91,308	$ 61,088
FUTURE INCOME TAXES	368,000	368,000
	459,308	429,088
SHAREHOLDERS' EQUITY		
Share subscriptions	33,000	-
Share capital (Note 6(b))	4,211,125	4,132,753
Contributed Surplus (Note 6(b))	390,868	359,402
Deficit	(2,031,215)	(1,850,032)
	2,603,778	2,642,123
	$ 3,063,086	$ 3,071,211

Approved By The Directors:

James T. Gillis **Director**

Christopher J. Wild **Director**

AFRICA WEST MINERALS CORP.
INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
(Unaudited)

	Three Months Ended February 28, 2010	Three Months Ended February 28, 2009	Nine Months Ended February 28, 2010	Nine Months Ended February 28, 2009
Administrative Expenses				
Advertising and promotion	$ 700	$ 866	$ 1,885	$ 4,034
Amortization of equipment	40	7,326	64	21,978
Corporate development – stock based compensation	-	11,614	-	11,614
Consulting fees	6,500	-	22,120	1,980
Due, conferences and subscriptions	-	66	1,881	1,579
Interest, bank charges and foreign exchange loss	393	324	3,354	1,163
Insurance	466	-	466	249
Management fees (Note 7)	15,000	13,500	45,000	40,500
Office, clerical and sundry	90	1,543	2,483	3,840
Professional fees	4,430	30,408	43,707	60,132
Rent and telephone (Note 7)	2,905	2,665	8,820	7,410
Stock based compensation	6,803	88,445	10,769	421,602
Wages and benefits	7,801	7,898	23,216	23,453
Transfer agent and filing fees	7,143	4,629	17,418	31,173
Travel	-	-	-	263
Net loss before other item	(52,271)	(169,284)	(181,183)	(630,970)
Other item				
Sale of property interest	(235)	-	-	-
Interest	-	76	-	3,689
Net loss for the period	(52,506)	(169,208)	(181,183)	(627,281)
Deficit, beginning of period	(1,978,709)	(913,014)	(1,850,032)	(454,941)
Deficit, end of period	$ (2,031,205)	$ (1,082,222)	$ (2,031,215)	$ (1,082,222)
Basic and dilutes loss per share	$(0.01)	$(0.01)	$(0.01)	$(0.02)
Weighted average number of common shares outstanding	42,805,304	37,793,278	41,875,222	34,427,946

AFRICA WEST MINERALS CORP.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Months Ended February 28, 2010	Three Months Ended February 28, 2009	Nine Months Ended February 28, 2010	Nine Months Ended February 28, 2009
Cash Provided By (Used For):				
Operating Activities				
Net loss	$ (52,506)	$ (169,208)	$ (181,183)	$ (627,281)
Items not requiring cash:				
Amortization	42	7,326	64	21,978
Stock-based compensation	6,803	100,059	10,769	433,216
Net change in non-cash working capital items:	(5,521)	(43,981)	32,640	(28,056)
Cash provided by (used for) operating activities	(51,182)	(105,804)	(137,710)	(200,143)
Investing Activities				
Acquisition advance for cash	13,373	-	10,673	-
Acquisition of mineral property interests	(9,057)	(184,615)	(9,057)	(786,856)
Deferred exploration expenditures paid	(34,726)	60,423	(74,590)	(519,638)
Payments for equipment	-	-	-	-
Receipt of Gold Rim Exploration Inc. loan	-	-	-	250,000
Sale of property interest for cash		-	56,908	
Sale of equipment	-		63,843	
Cash used for investing activities	(30,410)	(124,192)	47,777	(1,056,494)
Financing Activities				
Exploration advance received	-	(30,503)	-	-
Repayment of loan payable	-	-	-	(2,000)
Shares issued for cash	99,900	287,100	99,900	729,723
Share issuance costs paid by cash	(11,876)	(10,547)	(11,876)	(47,508)
Share of subscriptions	(60,000)	-	33,000	-
Cash provided by financing activities	28,024	246,050	121,024	680,215
Increase (Decrease) in cash	(53,568)	16,054	31,091	(576,422)
Cash and cash equivalents, beginning of period	121,149	139,433	36,490	731,909
Cash and cash equivalents, end of period	$ 67,581	$ 155,487	$ 67,581	$ 155,487

AFRICA WEST MINERALS CORP.
INTERIM CONSOLIDATED STATEMENTS OF MINERAL PROPERTY INTERESTS
(Unaudited)

	(Note 13) May 31, 2009	Additions	Sale of property interests (Note 5)	February 28, 2010
Kakamega Property, Kenya	$ 599,200	$ -	$ -	$ 599,200
Kanweaken Property, Liberia	106,526	-	(42,500)	64,026
Ngira Migori Property, Kenya	2,281	1,178	(2,516)	943
Nyakaqwe Property, Tanzania	1,258,446	7,879	-	1,266,325
Ugunja Property, Kenya	9,366	-	-	9,366
	$ 1,975,819	$ 9,057	$ (45,016)	$ 1,939,860

	May 31, 2008	Additions	Sale of property interests	May 31, 2009
Gedabo Property, Liberia	$ 174,007	$ -	$ (174,007)	$ -
Kakamega Property, Kenya		599,200		599,200
Kanweaken Property, Liberia	177,913	-	(71,387)	106,526
Ngira Migori Propery, Kenya		2,281		2,281
Nyakaqwe Propery, Tanzania		1,258,446		1,258,446
Ugunja Propery, Kenya		9,366		9,366
	$ 351,920	$1,869,293	$ (245,394)	$ 1,975,819

AFRICA WEST MINERALS CORP.
INTERIM CONSOLIDATED STATEMENTS OF DEFERRED EXPLORATION EXPENDITURES
(Unaudited)

	For the nine months ended February 28,2010	(Note 13) For the twelve months ended May 31, 2009
Gedabo Property		
Opening balance	$ -	$ 479,027
Administration	-	7,551
Camp	-	(1,092)
Communication	-	5,453
Field supplies	-	534
Geochemical	-	19,116
Rent	-	3,085
Travel	-	20,781
Wages and consultants	-	72,823
Recovered costs	-	(39,450)
Write down (Note 5)	-	(567,828)
Ending balance	-	-
Kanweaken Property		
Opening balance	283,034	476,572
Administration	2,277	5,273
Camp	(243)	1,185
Communication	518	3,586
Field supplies	-	534
Geochemical	-	19,116
Rent	-	3,085
Travel	6,076	20,780
Wages and consultants	26,897	74,800
Recovered costs	(14,997)	(38,863)
Write down (Note 5)	-	(283,034)
Ending balance	303,562	283,034
Nyakagwe Property		
Opening balance	543,965	103,285
Administration	881	7,688
Camp	7,232	59,204
Communication	190	3,633
Drilling	-	58,019
Field supplies	-	12,909
Geochemical	-	45,331
Rent	439	14,774
Travel	1,619	33,277
Wages and consultants	39,540	205,845
Ending balance	593,866	543,965

Kakamega Property		
Opening balance	34,262	-
Administration	1,827	7,410
Camp	279	3,591
Communication	84	1,301
Field supplies	-	1,221
Geochemical	-	1,185
Travel	339	14,668
Wages and consultants	575	4,886
Ending balance	37,366	34,262
Ngira Migori Property		
Opening balance	19,627	-
Administration	2,098	50
Camp	1,063	3,742
Communication	24	395
Field supplies	2,865	3,647
Geochemical	1,181	-
Travel	1,574	8,533
Wages and consultants	5,569	3,260
Sale of property interest	(19,627)	-
Ending balance	14,374	19,627
Ugunja Property		
Opening balance	48	-
Administration	613	48
Ending balance	661	48
Sotik Property		
Opening balance	77	-
Administration	1,761	77
Ending balance	1,838	77
	$ 951,667	$ 881,013

1. Nature of Operations

Africa West Minerals Corp. ("AWMC (Old)") was incorporated in the Province of British Columbia on September 28, 2004 as Liberian Gold Corporation and changed its name to Africa West Minerals Corp. (the "Company") on June 28, 2006.

Since inception the Company has investigated mineral prospects in Liberia, Tanzania and Kenya and, to date, has not determined whether these properties contain economically recoverable reserves of ore. The Company has not earned any revenues from its mineral properties and is considered to be in the exploration stage.

(a) AWMC (Old) incorporated two subsidiary companies, Liberian Gold Corporation Ltd (a British Virgin Islands corporation) ("LGC-BVI") and Liberian Gold Corporation Inc. (a Liberian corporation 100% owned by LGC-BVI). Liberian Gold Corporation Inc. holds the rights to the Company's interest in the Gedabo and Kanweaken exploration permits. AWMC (Old) entered into an agreement with Villanova Capital Corp. ("Villanova") dated October 5, 2007 and completed on January 28, 2008 pursuant to which the shareholders of AWMC (Old) acquired control of Villanova, a company listed on the TSX Venture Exchange, through a reverse takeover ("RTO") pursuant to which: Each issued and then outstanding common share of AWMC (Old) was exchanged for one common share of Villanova, resulting in the issue of 11,282,067 common shares of Villanova to the shareholders of AWMC (Old)

(b) Villanova was renamed Africa West Minerals Corp. (AWMC (New)) and the original Africa West Minerals Corp. was renamed Liberian Gold Corporation.

(c) The outstanding 10,250,000 common shares of Villanova and options to acquire up to 1,200,000 common shares remained unchanged.

(d) A finder's fee of 100,000 common shares at a deemed value of $24,884 was issued to an arms' length party for introducing Villanova to AWMC (Old).

(e) AWMC (Old) and Villanova obtained the approval of the transactions described in (a) through (c) above from its shareholders and the appropriate regulatory authorities, including approval of the transaction as a "qualifying transaction" of Villanova by the TSX Venture Exchange.

On completion of the RTO, AWMC (New) had a total of 21,632,067 common shares issued and outstanding options to purchase 1,200,000 common shares (Note 6(c)) of which 50.1% of the common shares were held by previous holders of AWMC's (Old) shares and Subscription Receipts and 49.9% were held by previous Villanova shareholders. All of the options were held by the previous holders of Villanova options.

In accordance with Canadian generally accepted accounting principles, AWMC (Old) was identified as the acquirer at the completion of the RTO since the previous shareholders of AWMC (Old) effectively acquired control of AWMC (New), the legal parent company. Accordingly, the authorized share capital and capital structure presented in these consolidated financial statements is that of AWMC (New), the legal parent, the issued share capital is that of AWMC (Old), the legal subsidiary, and the comparative figures include the operations of AWMC (Old) to the date of completions of the RTO as that company is considered to be the continuing company.

The fair values of the net assets of Villanova deemed to have been acquired by AWMC (Old) on the RTO were:

Cash	$ 791,330
Accounts receivable	8,099
Accounts payable	(44,575)
	$ 754,854

The company entered into an agreement on February 21, 2008 with Gold Rim Exploration Inc. (“Gold Rim”), a company with mineral properties in Kenya and Tanzania, to acquire all the outstanding shares of Gold Rim in exchange for 4,200,000 common shares of the Company. On that date the Company also advanced Gold Rim $250,000 to enable it to satisfy its mineral property obligations. The Company incurred geological consulting and other costs of $103,285 on Gold Rim’s mineral properties between February 21 and May 31, 2008, which have been recorded at May 31, 2008 as deferred exploration expenditures.

The purchase of Gold Rim was completed on June 9, 2008 and the common shares of the Company issued for the purchase were assigned a fair value of $840,000, based on the average trading price of the shares for the period covering four days before and after the announcement of the acquisition. The fair values of the assets and liabilities acquired on the purchase were:

Cash	$	-
Mineral properties		1,458,000
		1,458,000
Liabilities		(250,000)
Future income tax liability		(368,000)
	$	840,000

The initial purchase price allocation reported in the notes to the May 31, 2008 consolidated financial statements differ from these amounts for a reduction of liabilities assumed and of cash acquired, a reduction in the future income tax liability and, consequently, a reduction of the portion of the purchase price allocated to mineral properties.

These consolidated financial statements have been prepared on the going concerns basis, which presumes that the Company will continue operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company has a net loss of $181,183 for the nine months ended February 28, 2010 and working capital deficit of $8,897 at February 28, 2010. The ability of the Company to continue as going concern is in doubt and is dependent upon the continued support from its directors and its ability to continue to raise sufficient financing. Management is seeking equity financing and joint venture opportunities, the outcome of which cannot be predicted at this time. These financial statements do not reflect the adjustments or reclassifications which would be necessary if the Company were unable to continue.

2. Significant Accounting Policies

The financial statements have been prepared in accordance with Canadian Generally Accepted Accounting principles (“GAAP”) and reflect the following significant accounting policies:

Basis of Consolidation

These financial statement include the accounts of Africa West Minerals Corp. and its wholly-owned subsidiaries, Liberian Gold Corporations Ltd., Liberian Gold Corporation Inc., Gold rim Exploration Inc., and Gold Rim Exploration Kenya Ltd., (individually and collectively referred to as the "Company").

Use of Estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of any contingent assets and liabilities as at the date of the consolidated financial statements, as well as the reported amounts of revenues earned and expenses incurred during the reporting period. Actual results could differ from those estimates.

Items involving substantial measurement uncertainty are the estimated fair values of accounts receivable and accrued liabilities, the loans receivable and payable, the recoverability of mineral property interests and their related deferred exploration expenditures, the provision for future site restoration and abandonment costs, the provision for future income taxes, the determination of stock-based compensation and the valuation of warrants. By their nature, these estimates are subject to future changes and the impact of those changes on the consolidated financial statements could be material.

Cash and Cash Equivalents

Cash equivalents consist of temporary investments that are highly liquid and are readily convertible to known amounts of cash and have maturities of ninety days or less at the time of acquisition. Cash equivalents are carried at their carrying amounts, which estimate their fair values. As at February 28, 2010 cash and cash equivalents of $26,694 (May 31, 2009 $6,063) are held in US dollars and are reported in these consolidated financial statements at their Canadian dollar equivalent.

	February 28, 2010	(Note 13) May 31, 2009
Cash	$ 67,581	$ 36,490

Financial Assets and Financial Liabilities

The Company's financial assets and financial liabilities are classified as follows:

- Cash equivalents are classified as "held to maturity". They are measured at amortized cost. At February 28, 2010 and May 31, 2009 the recorded amounts approximates fair value.
- Accounts receivable are classified as "loans and receivables". They are measured at amortized cost. At February 28, 2010 and May 31, 2009 the recorded amounts approximates fair value.
- Accounts payable and accrued liabilities and payable to directors are classified as "other financial liabilities" and are measured at amortized cost. At February 28, 2010 and May 31, 2009 the recorded amounts approximate fair value.

Transaction costs directly attributable to the acquisition or issue of a financial asset or financial liability are added to the carrying amount of the financial asset or financial liability, and are amortized to operations using the effective interest rate method.

The Company retains and/or has obligations related to certain carried interest rights to mineral properties and net smelter royalties, the values of which are derived from future events and commodity prices. These rights are derivative instruments. However, the mineral property interests to which they relate are not sufficiently developed to reasonably determine their fair values.

Mineral Property Interests and Deferred Exploration Expenditures

The cost of mineral property interests and their related direct exploration expenditures are capitalized until the properties are placed into production, sold or abandoned. These deferred expenditures will be amortized on a unit-of-production basis over the estimated recoverable reserves from the properties following the commencement of production, or written-off if the properties are allowed to lapse or abandoned. Mineral property interest sale and option proceeds received are first credited against the costs of the related property, with any excess credited to operations. No gains or losses are recognized on the partial sale or dispositions of properties except in circumstances which result in significant dispositions of reserves.

Cost includes the cash consideration paid and the fair value of common shares issued on the acquisition of mineral property interests. The recorded costs of mineral property interests and their related deferred exploration expenditures represent costs incurred, and are not intended to reflect present or future values. The Company does not accrue the estimated future costs of maintaining its mineral property interests in good standing.

The Company reviews the capitalized costs of its mineral property interests and related deferred exploration expenditures on a periodic basis and will recognize an impairment in value based upon current exploration or production results, if any, and upon management's assessment of the probability of future net cash flow from the interests or from sale of the interests. Management's assessment of the interests' estimated current fair value is also based upon its review of other property transactions in the same geographic area.

Environmental Expenditures

The Company applies the standard of accounting for asset retirement obligations whereby the Company estimates, when a reasonable estimate can be made, the fair value of site restoration and clean-up costs for mineral property interests and reflects this amount in the cost of the mineral property interest acquired. The liability accretes over time through periodic charges to operations or mineral property interest costs. After the first year, the Company adjusts the carrying amounts of the assets and the liability for changes in estimates of the amount or timing of underlying future cash flows.

It is possible that the Company's estimates of its ultimate reclamation and site restoration liability could change as a result of changes in regulations or cost estimates. The effect of changes in estimated costs is recognized on a prospective basis.

There were no accrued reclamation costs as at February 28, 2010 and May 31, 2009.

Equipment

Equipment is recorded at cost and is amortized using the declining balance method at the rates disclosed in Note 4. In the period of acquisition, one half of the normal rate is applied, and in the period of disposal no amortization is provided.

Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method of tax allocation, future income tax assets and liabilities are determined based on differences between the financial statement carrying values and their respective income tax basis (temporary differences) and for the future tax benefit of loss carry forwards. Future income tax assets and liabilities are measured using the tax rates expected to be in effect when the temporary differences are likely to reverse and when the benefit of loss carry forwards are expected to be realized. The effect on future income tax assets and liabilities of a change in tax rates is included in operations in the period in which the change is enacted or substantially enacted. The amount of future income tax assets recognized is limited to the amount of the benefit that is more likely than not to be realized.

Foreign Currency Translation

Monetary assets and liabilities denominated in a foreign currency are translated at the period end rates of exchange. All other foreign currency assets and liabilities are translated at the rate prevailing on the dates the assets were acquired, or the liabilities were incurred. Revenues and expenses are translated at the exchange rate in effect on the dates they occur. Translation gains and losses for the period are included in operations.

Stock-Based Compensation

The Company used the fair value method of accounting for stock-based compensation awards made to directors, officers, employees and consultants. Under the fair value method, compensation costs, equal to the fair value of share purchase options on the date of grant, are recorded in operations, at the date of grant for options granted to consultants and over the vesting periods for all other options, with an offsetting credit to contributed surplus. Consideration received upon exercise of the options is recorded as share capital and the contributed surplus related to the recognized fair value of the options which have been exercised is transferred to share capital.

Earning or Loss Per Share

Basic earnings or loss per share are calculated using the weighted average number of common shares of the Company that were outstanding in each reporting period. The diluted earnings per share, which is disclosed only if dilutive, includes the potential dilution from outstanding options and share purchase warrants and is calculated using the treasury stock method and the weighted average number of shares outstanding. The diluted loss per shares is the same as the basic loss per share.

3. New Accounting Pronouncements

New accounting pronouncements issued by CICA and which the Company intends to evaluate and, when applicable, adopt in the preparation of its future financial statements are:

(a) Goodwill and intangible assets

In February 2008, the CICA issued Section 3064 Goodwill and Intangible Assets replacing Section 3062 Goodwill and Other Intangible Assets and Section 3450 Research and Development Costs. The new pronouncement establishes standards for the recognition, measurement, presentation, and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. The standards concerning goodwill and unchanged from the standards included in the previous Section 3062.

This section is effective in the first quarter of the 2010 fiscal year. The adoption of this section does not currently affect the Company's financial statements.

(b) Business combinations

In January 2009 the CICA issued Section 1582 Business Combinations, Section 1601 Consolidated Financial Statements and Section 1602 Non-Controlling Interests replacing Section 1581 Business Combinations and Section 1600 Consolidated Financial Statements The new standards, equivalent to the standards under International Financial Reporting Standards, have shifted from a parent company conceptual view of consolidation theory (which results in the parent company recording the book values attributable to non-controlling interests) to an entity conceptual view (which results in the parent company recording the fair values attributable to non-controlling interests).

These sections are applicable to business combinations with acquisition dates on or after January 1, 2011 and for the Company's consolidated financial statements for its fiscal year beginning June 1, 2011. Adoption of these sections is not expected to affect the Company

(c) Convergence with International Financial Reporting Standards

In 2006, the Accounting Standards Board of the Canadian Institute of Chartered Accountants ratified a strategic plan that will result in Canadian GAAP, as used by public companies, evolving and being converged with International Financial Reporting Standards ("IFRS") over a transitional period currently expected to be completed by 2011. The International Accounting Standards Board currently has projects underway that should result in new pronouncements which will be included in the convergence process.

The Company is conducting a detailed assessment of the requirements of the transition to IFRS, with the intention of identifying the timing of the implementation of the transition, major differences in accounting policies and selecting the policies which are appropriate for the Company, identifying the appropriate disclosure in financial statements prepared under IFRS and developing and implementation plan.

4. Equipment

	February 28, 2010			
	Rate	Cost	Accumulated Amortization	Net Book Value
Furniture and equipment	20%	$ 501	$ 353	$ 148

	(Note 13) May 31, 2009			
	Rate	Cost	Accumulated Amortization	Net Book Value
Automotive equipment	30%	$ 138,183	$ 69,929	$ 68,254
Furniture and equipment	20%	501	289	212
		$ 138,684	$ 70,218	$ 68,466

5. Mineral Property Interests

(a) Gedabo Property, Liberia:

The Government of the Republic of Liberia had granted to the Company's indirectly owned subsidiary, Liberian Gold Corporation Inc., mineral exploration rights over approximately 960 square kilometers on the eastern side of the Gedabo area, situated in the Maryland and River Gee Counties, Republic of Liberia. The Company abandoned these mineral exploration rights on June 2, 2009.

(b) Kanweaken Property, Liberia:

The Government of the Republic of Liberia had granted to the Company's indirectly owned subsidiary, Liberian Gold Corporation Inc., mineral exploration rights over approximately 1,000 square kilometers in the Grand Kru, Maryland and River Gee Counties, Republic of Liberia.

The exploration licenses for the Kanweaken property are included in the terms of Mineral Exploration Agreements (MEA) issued by the Government of the Republic of Liberia. The license includes rights to all mineral commodities on the property. The MEA has a term of three years (Exploration Period) from March 22, 2005, which has subsequently extended by two years, to June 9, 2010. Pursuant to the extension of the MEA, the Company was required to reduce the size of the license by 50% as of June 12, 2008. On June 2, 2009 the Company reduced the size of the Kanweaken Property by another 50% to 250 square miles.

The Company pays an annual renewal fee of US $5,000 per Exploration License on or before each of June 9, 2009 and June 9, 2010, annual rental fees of a maximum amount of US$11,120 on or before each of June 9, 2009 and June 10, 2010 and has to incur annual exploration expenditures up to US$247,100 on and before each of June 9, 2009 and June 9, 2010. In the event that Africa West decides to abandon any part of the property, the annual rental fees and expenditures will decrease correspondingly. The Company is also obligated to pay US $3.00 per acre for all areas on which a pilot mining project is being conducted. As of the date of these financial statements, the Company has not conducted any pilot mining on the Kanweaken properties.

The Company shall also pay a royalty of 3% on any gold or diamonds sold to the Government. Royalties on other commodities are to be negotiated.

The Company signed a Mining Option Agreement with Cassidy Gold Corp ("Cassidy"), a company with directors in common, on November 10, 2008 pursuant to which Cassidy has an option to acquire a 60% interest in the Company's mining concessions in Liberia. As part of the consideration payable under this agreement, Cassidy has purchased, in cash, 1,000,000 common shares of the Company at a price of $0.10 per share.

In order to maintain the Option Agreement, Cassidy is required to fulfill Africa West's obligations under the relevant license agreements. On June 12, 2009, the Company received notice from Cassidy Gold Corp that it has terminated the option.

The Company entered into an option agreement dated July 13, 2009 with Providence Capital Corp. ("Providence"), a company with a director in common, for the acquisition of a 60% interest (the "Option") in the Kanweaken Property. Providence paid the Company $25,000 upon acceptance by the TSX Venture Exchange (the "Exchange") of the Option. In order to maintain the Option, Providence is required to fulfill the Company's obligations under the Kanweaken License agreement, paying certain annual renewal and rental fees of approximately US$17,500 on or before June 9, 2010 and incurring minimum expenditures of US$123,550 on or before June 9, 2010.

Providence must keep the Kanweaken Property in good standing during the option period and pay all taxes, assessments and related charges. Additionally, on the first anniversary of Exchange approval, Providence must issue 150,000 common shares to the Company (100,000 received); on the second anniversary of Exchange approval, Providence must issue 200,000 common shares to the Company; and on the third anniversary of Exchange approval, Providence must issue 550,000 shares, to earn its 60% interest.

(c) Nyakagwe Property, Tanzania:

In Tanzania, Gold Rim acquired Primary Mining Licenses ("PML") from a group of local land owners in an area located about six kilometers from Barrick's Bulyanhulu Mine, which is in the heart of Victoria Gold Fields District. The group of 36 PMLs form 3 blocks of contiguous claims, now named the Nyakagwe Project.

(d) Kakamega Properties, Kenya:

In Kenya, Gold Rim has applied for a 16 square kilometer ("$km^{2)}$ Exclusive Prospecting License ("EPL") to cover the former Rosterman Mine and surrounding areas. The Company has two other licenses in the immediate area for an additional $50km^2$.

In order to maintain the licences the Company is required to incur a minimum of Kenya Shillings ("KES") 5,000,000 in exploration expenditures per year, per license. A Bond in favour of the Commissioner of Mines & Geology of the Government of Kenya (the "Commissioner") is to be executed, with 10% of the value of work to be undertaken during each year deposited with the Commissioner in cash while the remaining 90% is to be guaranteed by the financial institution. The Company is also obligated to pay KES 250 per square kilometer for all areas operated under pilot mining.

On August 17, 2009 the Company signed a Memorandum of Understanding with Equatorial Mining Ltd. ("Equatorial") to develop the extensive surface tailings from the former Rosterman Gold Mine. Under the terms of the agreement, Equatorial will have six months to evaluate the tailings and design a procedure to exploit the contained gold. If Equatorial decides to proceed with the program, the Company will receive an advance royalty payment in cash. The Company will receive a 5% Net Smelter Royalty (NSR) from all product recovered from the Rosterman Gold Mine. Equatorial will have three years to recover material and to rehabilitate the tailings.

(e) Ugunja Property, Kenya:

The Company controls the Ugunja Joint Venture which includes a $1166km^2$EPL situated at the west end of the Kakamega greenstone belt, the same belt that hosts the Rosterman Mine.

The Joint Venture agreement with Kenya Discovery Ltd. ("KDL") entered into on December 18, 2007 grants the Company a 15% interest in the property if exploration expenditures of US $125,000 are incurred and if the Company maintains the license in good standing. The Company may earn an additional 35% interest by incurring and additional US $125,000 in exploration expenditures.

(f) Ngira Migori Property, Kenya:

The Company has entered into the Ngira Migori Joint Venture, which encompasses 320 km^2 area in the Migori area of Kenya. This area has had some previous gold and copper production from the nearby McAlder Mine. The Ngira property has seen small scale gold reef exploration in the past.

The Company has entered into an option agreement dated August 13, 2009 with Red Rock Resources PLC ("Red Rock") for Red Rock to acquire a 70% interest in the Ngira Migori

Property. Red Rock paid the Company US$20,000 upon signing the agreement and must incur minimum expenditures of US$180,000 and drill 1,200m before August 13, 2011 and a minimum of 2,400m before August 13, 2012. Red Rock must maintain the property in good standing during the option period.

(g) **Sotik Property, Kenya:**
The Company has also acquired the Sotik property, which is located in the same southern province of Kenya and is comprised of 483 km^2 of gold prospective ground. This project area has not seen any modern exploration and requires a first phase regional mapping and sampling program to prioritize any follow-up work.

6. Share Capital

(a) **Authorized:**
Unlimited number of common shares at no par value
Unlimited number of preferred shares at no par value

(b) **The Company's issued and outstanding share capital and contributed surplus is:**

Common Shares	**Issued**		**Share**	
	Quantity	**Amount**	**Subscriptions**	**Total**
Balance, May 31, 2008	22,639,067	$2,145,448	674,085	$2,819,533
Private placement net of $194,293 allocated to the issue of warrants and $91,794 of issue costs	14,578,737	1,152,383	(674,085)	478,298
Shares issued for the acquisition of Gold Rim (Note 1), net of issue Costs of $5,078	4,200,000	834,922	-	834,922
Balance, May 31, 2009 (Note 13)	41,417,804	4,132,753	-	4,132,753
Private placement net of $9,652 Allocated to the issue of warrants and $11,876 of issue cost	1,665,000	78,372	-	
Balance, February 28, 2010	43,082,804	$4,211,125	-	$ 4,211,125

Contributed Surplus	
Balance, May 31, 2008	$ 51,515
Allocated to warrants on the issue of shares for cash	194,293
Stock based compensation	113,594
Balance, May 31, 2009 (Note 13)	$ 359,402
Allocated to warrants on the issue of shares for cash	9,652
Stock based compensation	21,814
Balance, February 28, 2010	$ 390,868

(c) **Stock Options:**
Under the Company's stock option plan, the Company may grant options to directors, officers, employees and consultants to purchase common shares up to a maximum number permitted by the TSX Venture Exchange. Options will be granted at the market price on the date of the grant, less permitted discounts, will vest according to the timetable set at the time of the grant and will expire no later than five years from the date of grant.

On June 9, 2008 the Company granted 2,990,000 stock options to directors, officers, employees and consultants, exercisable at a price of $0.15 per share and expiring on June 8, 2013.

On October 1, 2008 the Company granted 25,000 stock options to directors, officers, employees and consultants, exercisable at a price of $0.15 per share and expiring on October 1, 2013.

On January 8, 2009 the Company granted 100,000 stock options to directors, officers, employees and consultants, exercisable at a price of $0.15 per share and expiring on January 8, 2011.

On January 12, 2009 the Company granted 830,000 stock options to directors, officers, employees and consultants, exercisable at a price of $0.05 per share and expiring on January 12, 2014.

At February 28, 2010 the Company has options outstanding entitling holders to purchase up to 3,945,000 shares of the Company's common stock at exercise prices ranging from $0.05 to $0.15. The contractual weighted average remaining life of the outstanding options at February 28, 2010 is 3.20 years (May31, 2009 – 4.09 years). During the nine month period, $10,769 was recorded as share-based compensation expense for options that had vested.

A summary of share purchase options activity and information concerning outstanding exercisable options at February 28, 2010 is:

	Number of Options	Weighted Average Exercisable Price
Options outstanding and exercisable		
May 31, 2008	1,000,000	$0.10
Granted	3,945,000	$ 0.13
Expired	(1,000,000)	$0.10
May 31, 2009	3,945,000	$0.13
Granted	-	-
Expired	-	-
Options outstanding, February 28, 2010	3,945,000	$0.13
Options exercisable, February 28, 2010	3,945,000	$ 0.13

As at February 28, 2010, the following stock options are outstanding:

Options Outstanding And Exercisable	Options Exercisable	Exercise Price	Expiry Date	Weighted Average Remaining Life (Years)
100,000	100,000	0.15	January 8, 2011	.85
2,990,000	2,990,000	0.15	June 9, 2013	3.27
25,000	20,830	0.15	October 1, 2013	3.58
830,000	796,668	0.05	January 12, 2014	3.86

The Company determined the fair value of the options granted and warrants issued using the Black-Scholes option pricing model, recognizing forfeitures as they occur, using the following weighted average assumptions:

	2010	**2009**
Risk-free interest rate	1.21%-1.52%	2.5%
Expected life (years)	1 - 2.7	2.7
Expected volatility	88.38%-106.47%	79%
Expected dividend yield	Nil	Nil

(d) Share Purchase Warrants

As at February 28, 2010, the following warrants to purchase shares are outstanding:

Exercise Price Per Share	**Expiry Date**	**(Note 13) Balance, May 31, 2009**	**Granted**	**Expired**	**Balance, February 28, 2010**
$0.10	September 25,2009	200,000	-	(200,000)	-
$0.10	November 24, 2009	1,650,000	-	(1,650,000)	-
$0.55	January 28, 2010	503,500	-	(503,500)	-
$0.10	February 16, 2010	1,871,000	-	(1,871,000)	-
$0.25	June 9, 2010	3,268,368	-	-	3,268,368
$0.15	June 9, 2010	49,000	-	-	49,000
$0.10	December 14, 2010	-	832,500	-	832,500
		7,541,868	832,500	(4,224,500)	4,149,868

7. Related Party Transactions

Related party transactions not otherwise separately disclosed in these financial statements are:

	For the nine months ended February 28, 2010	**For the nine months ended February 28, 2009**
Management fees paid to a company controlled by a director of the Company	$ 45,000	$ 40,500
Rent paid to a company with common management	$ 7,111	$ 5,719
Professional services paid to a company controlled by a director of the Company	$ -	$ 4,466
Interest paid to a company controlled by a director of the Company	$ -	$ 77

Accounts payable at February 28, 2010 includes $17,250 (May31, 2009 - $3,210) payable to company controlled by a director of the Company.

8. Commitments

(a) The Company has a management services agreement with a company controlled by a director of the Company requiring payments of $5,000 per month plus taxes (prior to March 1, 2009 - $4,500 per month plus taxes). The agreement is in effect until February 28, 2014 unless terminated earlier in accordance with the provisions of the agreement.

(b) The Company shares its premises with other companies controlled by a director of the Company and is allocated its proportion of the annual rent, which is approximately $8,300.

9. Segmented Information

The Company's worldwide operations are all conducted in one industry segment, the exploration and development of mineral property interests.

The Company's assets by geographic segment are:

	February 28, 2010			
	Canada	**Liberia, West Africa**	**Tanzania, East Africa**	**Kenya, East Africa**
Assets by geographic segment:				
Cash and cash equivalents	$ 40,887	$ 6,932	$ -	$ 19,762
Other current assets	14,830		-	-
Equipment	-	148	-	-
Mineral property assets	-	15,317	1,949,191	1,016,019
	$ 55,717	$ 22,397	$ 1,949,191	$ 1,035,781

	May 31, 2009 (Note 13)			
	Canada	**Liberia, West Africa**	**Tanzania, East Africa**	**Kenya, East Africa**
Assets by geographic segment:				
Cash and cash equivalents	$ 30,427	$ 5,655	$ -	$ 408
Other current assets	9,750		-	-
Equipment	-	68,466	-	-
Mineral property assets	-	389,560	1,887,669	679,276
	$ 40,177	$ 463,681	$ 1,887,669	$ 679,684

10. Income Taxes

Future income tax assets and liabilities are recognized for temporary differences between the carrying amount of the balance sheet items and their corresponding tax values as well as for the benefit of losses available to be carried forward to future years for tax purposes that are likely to be realized.
No provision for recovery of future income taxes was made in these financial statements because of the uncertainty as to the utilization of the losses for income tax purposes. The Company has accumulated losses for tax purposes of $2,480,885 (May 31, 2009 - $2,281,419) which expire as follows:

2014	$ 3,476
2015	46,606
2026	61,087
2027	170,591
2028	146,706
2029	296,957
2030	199,466
Indefinite	1,555,996

As at February 28, 2010, the Company has undeducted resource related expenses of approximately $1,207,739 (May 31, 2009 - $1,181,000) available for deduction against future Canadian taxable income. These expenses have no expiration date. In addition, the Company has undeducted share issuance costs totaling $108,404 (May 31, 2009 - $102,748) which are also available for deduction against future Canadian taxable income.

	For the nine months ended February 28, 2010	**For the nine months ended February 28, 2009**
Net loss before income taxes	$(181,183)	$ (627,281)
Statutory Tax rate	30.38%	30.38%
Calculated income tax recovery	(55,043)	(190,568)
Net adjustment for deductible and non-deductible amounts	(5,555)	124,768
Unrecognized benefit of non-capital losses	60,598	65,800
Income tax expense	$ -	$ -

Significant components of the Company's future tax assets and liabilities, after applying enacted or substantially enacted corporate income tax rates, are:

	February 28, 2010	**(Note 13) May 31, 2009**
Other assets	$ 10,374	$ 8,600
Undeducted share issue costs for tax purposes	32,933	30,824
Non-capital loss carry forwards	753,693	601,317
	797,000	640,741
Valuation allowance for future income tax assets	(797,000)	(640,741)
	$ -	$ -
Future income tax liabilities		
Mineral properties	$ 368,000	$ 368,000

11. Management of Financial Risk

The Company's financial instruments are exposed to certain risks, which include currency risk, credit risk, interest rate risk, and liquidity risk.

Currency Risk

Currency risk is the risk of a loss due to the fluctuation of foreign exchange rates and the effects of these fluctuations of foreign currency denominated monetary assets and liabilities. The Company currently operates in Canada, Liberia, Kenya and Tanzania. The Company manages its currency risk through the preparation of short and long term expenditure budgets in different currencies and converting Canadian dollars to foreign currencies whenever exchange rates are favourable.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash and short term investments are on deposit at major financial institutions. Accounts receivable consist primarily of goods and services tax refunds due from the Government of Canada. As such, the Company considers this risk to be minimal.

Interest rate risk

Interest rate risk is the risk that the fair value of or future cash flows from a financial instrument will fluctuate because of changes to market interest rates. The Company is exposed from time to time to interest rate risk as a result of holding fixed rate cash equivalent investments of varying maturities. The risk that the Company will realize a loss as a result of a decline in the fair value of these investments is limited as the Company only invests in highly liquid securities with short-term maturities.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure (Note 12).

12. Management of Capital

The Company's objectives when managing capital, which are unchanged from prior periods, are to safeguard its ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. The Company considers its capital to be its shareholders' equity. The Company manages its capital and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. To maintain or adjust its capital, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and short-term investments. In order to maximize ongoing development efforts, the Company does not pay out dividends.

The Company will have to raise additional capital resources to meet its planned operations and administrative overhead expenses. The future exploration and development of the Company's mineral properties in the near and long term will depend on the Company's ability to obtain additional funding through equity or debt financing or through the joint venture of projects. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration and development activities. The Company believes it will be able to raise capital as required in the long term, but recognizes there will be risks involved that may be beyond its control.

13. Comparative Figures

The comparative figures disclosed as at May 31, 2009 in these financial statements were subject to an audit engagement.

14. Subsequent Events

On March 5, 2010 the Company closed a non-brokered private placement, amounting to 1,150,000 units at a price of $0.06 per unit for gross proceeds of $69,000. Each unit is comprised of one common share of the Company and one-half of one non-transferable share purchase warrant each whole warrant entitling the holder to purchase an additional common share at a price of $0.10 per share until March 5, 2011, subject to accelerated expiry in certain circumstances. The president of the Company participated in the private placement purchasing 200,000 units.

The Company has announced that it will effect, subject to shareholder and regulator approval, a consolidation of its issued common shares on the basis of two old shares for one new share. Concurrently with the consolidating the Company intends to change its name.