

Interim Consolidated Financial Statements
(Expressed in Canadian dollars)

DALRADIAN RESOURCES INC.
(AN EXPLORATION STAGE COMPANY)

For the three and six months ended June 30, 2010, and the three months ended June 30, 2009, and the period from the date of incorporation on March 27, 2009, to June 30, 2009

(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS

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

The management of Dalradian Resources Inc. is responsible for the preparation of the accompanying unaudited interim consolidated financial statements. The unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Canada and are considered by management to present fairly the financial position, operating results and cash flows of the Company.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor. These unaudited financial statements include all adjustments, consisting of normal and recurring items, that management considers necessary for a fair presentation of the consolidated financial position, results of operations and cash flows.

"Patrick F.N. Anderson"

Patrick F.N. Anderson

Chief Executive Officer

"Keith D. McKay"

Keith D. McKay

Chief Financial Officer

August 12, 2010

DALRADIAN RESOURCES INC.

(AN EXPLORATION STAGE COMPANY)

Consolidated Balance Sheets
(Expressed in Canadian dollars)

	June 30, 2010	December 31, 2009
	(unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents (note 4)	\$ 1,204,932	\$ 2,694,471
Amounts receivable	45,266	1,915
Prepaid expenses	95,950	1,255
Deferred share issue costs (note 12)	378,279	—
	<u>1,724,427</u>	<u>2,697,641</u>
Property, plant and equipment (note 5)	7,857	1,793
Mineral properties (note 6).....	7,570,374	6,976,214
	<u>\$ 9,302,658</u>	<u>\$ 9,675,648</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 870,692	\$ 423,196
Future income taxes	257,253	274,552
	<u>1,127,945</u>	<u>697,748</u>
Shareholders' equity:		
Share capital (note 7).....	9,855,166	9,855,166
Warrants (note 7).....	309,149	309,149
Accumulated deficit.....	(1,989,602)	(1,186,415)
	<u>8,174,713</u>	<u>8,977,900</u>
Subsequent events (note 12)	<u>\$ 9,302,658</u>	<u>\$ 9,675,648</u>

See accompanying notes, which are an integral part of these consolidated financial statements.

DALRADIAN RESOURCES INC.

(AN EXPLORATION STAGE COMPANY)

Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended		Six months ended	Period from date of incorporation on March 27, 2009 to June 30, 2009
	June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Operating expenses:				
Consulting (note 8).....	\$ 83,096	\$ 246,779	\$ 131,100	\$ 246,779
Professional fees	28,304	228,713	118,588	228,713
Salaries and wages.....	270,491	—	299,982	—
Travel and promotion	101,649	64,418	159,777	78,823
Office and general.....	76,026	18,968	108,459	18,968
Interest and bank charges	232	1,767	1,825	1,767
Interest on convertible debentures.....	—	41,271	—	41,271
Amortization	275	—	550	—
Foreign exchange loss (gain).....	11,166	7,880	(17,094)	7,880
Abandoned mineral properties.....	—	140,975	—	140,975
	<u>571,239</u>	<u>750,771</u>	<u>803,187</u>	<u>765,176</u>
Loss for the period and comprehensive loss	<u>\$ (571,239)</u>	<u>\$ (750,771)</u>	<u>\$ (803,187)</u>	<u>\$ (765,176)</u>
Loss per share – basic and diluted (note 9)	<u>\$ (0.01)</u>	<u>\$ (0.07)</u>	<u>\$ (0.02)</u>	<u>\$ (0.08)</u>

See accompanying notes, which are an integral part of these consolidated financial statements.

DALRADIAN RESOURCES INC.

(AN EXPLORATION STAGE COMPANY)

Consolidated Statements of Shareholders' Equity
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended		Six months ended	Period from date of incorporation on March 27, 2009 to June 30, 2009
	June 30, 2010	June 30, 2009	June 30, 2010	
Share capital:				
Balance, beginning of period	\$ 9,855,166	\$ 10,182	\$ 9,855,166	\$ —
Private placement	—	—	—	10,182
Balance, end of period	<u>\$ 9,855,166</u>	<u>\$ 10,182</u>	<u>\$ 9,855,166</u>	<u>\$ 10,182</u>
Equity component of convertible debentures:				
Balance, beginning of period	\$ —	\$ —	\$ —	\$ —
Issuance of convertible debentures	—	57,631	—	57,631
Balance, end of period	<u>\$ —</u>	<u>\$ 57,631</u>	<u>\$ —</u>	<u>\$ 57,631</u>
Warrants:				
Balance, beginning and end of period	<u>\$ 309,149</u>	<u>\$ —</u>	<u>\$ 309,149</u>	<u>\$ —</u>
Accumulated deficit:				
Balance, beginning of period	\$ (1,418,363)	\$ (14,405)	\$ (1,186,415)	\$ —
Loss for the period	(571,239)	(750,771)	(803,187)	(765,176)
Balance, end of period	<u>\$ (1,989,602)</u>	<u>\$ (765,176)</u>	<u>\$ (1,989,602)</u>	<u>\$ (765,176)</u>
Total shareholders' equity	<u>\$ 8,174,713</u>	<u>\$ (697,363)</u>	<u>\$ 8,174,713</u>	<u>\$ (697,363)</u>

See accompanying notes, which are an integral part of these consolidated financial statements.

DALRADIAN RESOURCES INC.

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Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended		Six months ended	Period from date of incorporation on March 27, 2009 to June 30, 2009
	June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Cash flows from (used in) operating activities:				
Loss for the period	\$ (571,239)	\$ (750,771)	\$ (803,187)	\$ (765,176)
Foreign exchange gain (loss).....	7,243	(66,265)	(16,906)	(66,265)
Interest accretion on convertible debentures.....	—	23,581	—	23,581
Amortization	275	—	550	—
Change in non-cash operating working capital:				
Amounts receivable.....	(40,576)	—	(43,351)	(10,182)
Prepaid expenses	7,272	(1,861)	(94,695)	(1,861)
Accounts payable and accrued liabilities	133,418	(418,092)	69,217	146,651
Cash flows used in operating activities	<u>(463,607)</u>	<u>(1,213,408)</u>	<u>(888,372)</u>	<u>(673,252)</u>
Cash flows from financing activities:				
Issuance of share capital, net of issue costs	—	1,956,675	—	10,182
Issuance of convertible debentures	—	1,956,675	—	1,956,675
Cash flows used in financing activities	<u>—</u>	<u>1,956,675</u>	<u>—</u>	<u>1,966,857</u>
Cash flows used in investing activities:				
Expenditures on mineral properties	(326,019)	(409,560)	(594,160)	(959,898)
Additions to property, plant and equipment	—	—	(7,007)	—
Cash flows used in investing activities.....	<u>(326,019)</u>	<u>(409,560)</u>	<u>(601,167)</u>	<u>(959,898)</u>
Increase (decrease) in cash and cash equivalents from continuing operations	(789,626)	333,707	(1,489,539)	333,707
Cash and cash equivalents, beginning of period.....	1,994,558	—	2,694,471	—
Cash and cash equivalents, end of period....	<u>\$ 1,204,932</u>	<u>\$ 333,707</u>	<u>\$ 1,204,932</u>	<u>\$ 333,707</u>
Represented by:				
Cash on hand and balance with banks	<u>\$ 1,204,932</u>	<u>\$ —</u>	<u>\$ 1,204,932</u>	<u>\$ —</u>
Supplemental cash flow information:				
Interest paid	<u>\$ —</u>	<u>\$ 1,767</u>	<u>\$ 45,372</u>	<u>\$ 1,767</u>

See accompanying notes, which are an integral part of these consolidated financial statements.

DALRADIAN RESOURCES INC.

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Notes to Consolidated Financial Statements
(Expressed in Canadian dollars)

Three and six months ended June 30, 2010, three months ended June 30, 2009, and the period from the date of incorporation on March 27, 2009, to June 30, 2009
(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

Dalradian Resources Inc. (formerly SA Resources Inc.) (the "Company") was incorporated on March 27, 2009, in the Province of Ontario, Canada and is a development stage company, as defined in The Canadian Institute of Chartered Accountants ("CICA") Handbook Accounting Guideline 11, involved in the acquisition, exploration and development of mineral properties in Northern Ireland. Substantially all of the Company's efforts are devoted to financing the exploration of its properties. The recoverability of the amounts paid for the acquisition of, and investment in mineral properties (note 6) is dependent upon the discovery of economically recoverable reserves, the preservation of the Company's interest in the underlying prospecting licences, the ability to obtain necessary financing and the attainment of profitable operations or, alternatively, the disposal of properties or the Company's interests therein on an advantageous basis.

The Company has no source of revenue, and has significant cash requirements to meet its administrative overhead and maintain its mineral investments. In order to meet future expenditures and cover administrative and exploration costs, the Company will need to raise additional financing. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favourable to the Company.

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

2. SIGNIFICANT ACCOUNTING POLICIES

These unaudited consolidated financial statements have been prepared in accordance with GAAP and follow the same accounting policies and methods of computation as the audited consolidated financial statements and related notes for the year ended December 31, 2009, except as described below. In the opinion of management, these unaudited consolidated financial statements contain all adjustments of a normal and recurring nature necessary for fair presentation.

New accounting policies

Property, plant and equipment

The Company acquired computer equipment that will be amortized using the declining-balance basis at a rate of 30% per annum.

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3. RECENT ACCOUNTING PRONOUNCEMENTS

(a) Adoption of new accounting standards:

The Company has not adopted any new accounting standards during the current period.

(b) Future accounting policies:

The Company has not applied the following new standards that have been issued by the reporting date but that are not yet effective:

(i) International financial reporting standards:

In February 2008, the Accounting Standards Board announced that 2011 is the changeover date for publicly listed companies to replace Canadian GAAP with International Financial Reporting Standards ("IFRS"). The changeover date of January 1, 2011, will require the restatement for comparative purposes of amounts reported by the Company in the interim and annual financial statements for the year ending December 31, 2010. The Company is evaluating the future impact of IFRS on its consolidated financial statements.

(ii) Business combinations, consolidated financial statements and non-controlling interests:

In January 2009, the CICA issued Handbook Section 1582, Business Combinations ("Section 1582"), Section 1601, Consolidated Financial Statements ("Section 1601"), and Section 1602, Non-controlling Interests ("Section 1602"). Section 1582 replaces Section 1581, Business Combinations ("Section 1581"), and establishes standards for the accounting for business combinations that are equivalent to the business combination accounting standard under IFRS. Section 1601, together with Section 1602, replaces Section 1600, Consolidated Financial Statements. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. Section 1582, Section 1601 and Section 1602 are applicable for the Company for the fiscal year beginning on January 1, 2011, with concurrent early adoption permitted. The Company has not yet determined the impact of the adoption of these new sections on its consolidated financial statements.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include nil (2009 – \$80,000) held as security against the corporate credit cards by the Company's bank.

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5. PROPERTY, PLANT AND EQUIPMENT

	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>
June 30, 2010			
Furniture and fixtures	\$ 9,144	\$ 4,409	\$ 4,735
Computer equipment	3,672	550	3,122
	<u>\$ 12,816</u>	<u>\$ 4,959</u>	<u>\$ 7,857</u>
December 31, 2009			
Furniture and fixtures	\$ 5,809	\$ 4,016	\$ 1,793

6. MINERAL PROPERTIES

			<u>June 30, 2010</u>	<u>December 31, 2009</u>
Northern Ireland			\$ 7,570,374	\$ 6,967,214
			<u>Six months ended June 30, 2010</u>	<u>Period from date of incorporation on March 27, 2009 to June 30, 2009</u>
	<u>Three months ended</u>			
	<u>June 30, 2010</u>	<u>June 30, 2009</u>		
Balance, beginning of period	\$ 7,244,355	\$ 550,338	\$ 6,976,214	\$ —
Option and acquisition costs	—	409,560	—	959,898
Licences	52,880	—	85,268	—
Drilling and assays	182,461	—	264,175	—
Personnel, administration and travel	78,541	—	187,296	—
Studies and evaluation reports	12,137	—	57,421	—
	<u>\$ 7,570,374</u>	<u>\$ 959,898</u>	<u>\$ 7,570,374</u>	<u>\$ 959,898</u>

The Company signed an agreement on March 30, 2009, with C³ Resources, Inc. ("C³") to assume all rights and responsibilities with regard to an option agreement dated December 19, 2008, (the "Option Agreement") among Dalradian Gold Limited ("DGL"), C³ and Tournigan Energy Ltd. ("Tournigan") for consideration of \$100,000. The Option Agreement granted the Company the ability to acquire options to purchase an equity interest in DGL, which holds mineral prospecting licences in counties Tyrone and Londonderry, Northern Ireland, collectively known as the Tyrone Project.

On September 28, 2009, the Company entered into an agreement with Tournigan to terminate the Option Agreement and purchase all of the issued and outstanding shares of DGL. The total purchase price was \$5.5 million with \$2.5 million due on the closing date, October 26, 2009, and a \$3 million promissory note to be paid by December 31, 2009. This promissory note was non-interest bearing and was secured by the present and post-acquisition property of the Company.

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On October 26, 2009, the Company and Tournigan amended the September 28, 2009, agreement to set the closing date at October 30, 2009, to provide that the purchase price of the shares of DGL be \$1.00 and to provide for the Company to repay intercompany debt owed to Tournigan by DGL of \$5.5 million, of which \$2.5 million was paid on the closing date and \$3 million was paid on December 22, 2009.

Under Section 1581, this transaction did not meet the definition of a business combination as the primary asset had not commenced planned principal operations and was in the development stage. Thus, the transaction was recorded as an acquisition of an asset.

The Company has a 2% net smelter return royalty obligation on the Curraghinalt Deposit to Minco Plc, or its nominee, and must pay a 4% royalty to the Crown based on the selling price of any silver and gold produced at the Tyrone Project.

7. SHARE CAPITAL, WARRANTS AND STOCK OPTIONS

(a) Common shares:

The Company is authorized to issue an unlimited number of common shares with no par value. As at June 30, 2010, and December 31, 2009, 42,155,750 common shares were issued and outstanding.

	Number of shares issued	Amount
Balance, March 27, 2009	—	\$ —
Private placements (i), (iv), (v) and (vii)	36,322,417	8,955,182
Issuance and conversion of debentures (ii), (iii) and (vi)	5,833,333	1,707,618
Issuance costs of private placements (iv), (v) and (vii)	—	(807,634)
Balance, December 31, 2009, and June 30, 2010	<u>42,155,750</u>	<u>\$ 9,855,166</u>

(b) Warrants:

	Number of warrants	Amount	Weighted average exercise price
Balance, March 27, 2009	—	\$ —	\$ —
Issued (vi), (vii)	896,666	309,149	0.62
Balance, December 31, 2009 and June 30, 2010	<u>896,666</u>	<u>\$ 309,149</u>	<u>\$ 0.62</u>

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Three and six months ended June 30, 2010, three months ended June 30, 2009, and the period from the date of incorporation on March 27, 2009, to June 30, 2009
(Unaudited)

- (i) On March 27, 2009, the Company completed a private placement offering of 10,182,417 shares to raise gross proceeds of \$10,182.
- (ii) During the year ended December 31, 2009, the Company issued three convertible debentures for gross cash proceeds of \$1,956,675 (US\$1,625,000). The convertible debentures were issued at par, bore interest of 6% per annum and matured on September 30, 2009. The notes were convertible at the option of the holders at any time prior to the maturity date into common shares at an initial conversion rate of US\$0.25 per share for US\$1,250,000 of the convertible debentures and into units (each consisting of one common share and one-half of one share purchase warrant) at a conversion rate of US\$0.45 per unit for US\$375,000 of the convertible debentures.

In accordance with GAAP, on initial recognition, the principal amount of the debenture was allocated between its liability and equity elements and classified separately on the balance sheet. As a result, \$1,899,043 was recorded as convertible debenture liability with the balance of \$57,632 recorded as equity component of convertible debentures. During the year ended December 31, 2009, all of the convertible debentures were converted into common shares and the balance recorded as the equity component of the convertible debentures was transferred to share capital.
- (iii) On September 30, 2009, the Company issued 5,000,000 common shares as a result of the conversion of \$1,352,250 (US\$1,250,000) convertible debentures.
- (iv) On October 26, 2009, the Company completed a private placement offering of 10,600,000 shares to raise gross proceeds of \$1,060,000. In connection with the private placement, transaction costs of \$63,498 were incurred.
- (v) On October 30, 2009, the Company completed a private placement offering of 7,540,000 shares to raise gross proceeds of \$1,885,000. In connection with the private placement, transaction costs of \$97,966 were incurred.
- (vi) On December 16, 2009, the Company issued 833,333 common shares and 416,666 warrants (valued at \$99,952 using the Black-Scholes option pricing model and assigning proportionate value between shares and warrants at the conversion date) as a result of the conversion of a \$397,688 (US\$375,000) convertible debenture.
- (vii) On December 18, 2009, the Company completed a private placement offering of 8,000,000 shares to raise gross proceeds of \$6,000,000. A cash commission of \$360,000 (6% of the gross proceeds) was paid, together with the issuance of 480,000 agent warrants equal to 6% of the total number of shares sold (valued at \$209,197 using the Black-Scholes option pricing model) and other transaction costs of \$76,973 pursuant to the private placement.

All warrants issued and outstanding expire on December 18, 2011, and entitle the holder to purchase one common share at the stated exercise price.

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The fair value of the Company's warrants was estimated using the Black-Scholes option pricing model using the following assumptions:

Volatility	113.0%
Risk-free interest rate	1.3%
Expected life (years).....	2
Dividend yield	—

(c) Stock options:

On April 27, 2010, the Company adopted a new stock option plan under which it is authorized to grant options to senior officers, directors, employees and consultants. Under the stock option plan, the Company may not have more than 10% of the outstanding issued common shares reserved for incentive stock options granted at any time. Options granted under the plan will have a term not to exceed five years, from the later of (i) the grant date; and (ii) the date on which the common shares are listed for trading on a stock exchange in Canada, have an exercise price of not less than the closing price of the shares on the exchange on which the common shares are listed on the trading date immediately preceding the date the options are granted and may be subject to vesting terms as determined by the board of directors.

As at June 30, 2010, outstanding and exercisable stock options granted were as follows:

Grant Date	Fair Value \$	Number of Non- Vested Options	Weighted average remaining life in years	Number of Vested Options	Exercise Price \$	Expiry Date
November 16, 2009 ¹	141,680	750,000	5.00	—	0.25	August 10, 2015
April 15, 2010	1,442,533	2,550,000	5.00	—	0.75	August 10, 2015
June 9, 2010	309,264	550,000	5.00	—	0.75	August 10, 2015
	<u>1,893,477</u>	<u>3,850,000</u>	<u>5.00</u>	—		

¹ Replacement options were issued on April 28, 2010 following the adoption of the new stock option plan, which replace these options.

On November 16, 2009, the Company issued 750,000 options with an exercise price of \$0.25. The options start to vest quarterly over a period of one year, once the Company becomes publicly traded. As such, no amount has been recorded in the financial statements related to these options. The options expire five years after the date the shares become publicly traded.

On April 15, 2010, and June 9, 2010, the Company issued 2,550,000 and 550,000 options respectively with an exercise price of \$0.75: one-third of 1,600,000 options vest on the date the Company becomes publicly traded, with the remaining thirds each vesting on the first and second anniversaries of becoming publicly traded. The remaining 1,500,000 options vest immediately on the date the Company becomes publicly traded. As the Company was not public at June 30, 2010, no amount has been recorded in the financial statements related to these options. The options expire five years after the date the shares become publicly traded.

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8. RELATED PARTY TRANSACTIONS

Consulting fees for the three and six months ended June 30, 2010, include \$31,500 and \$63,000 (2009 – \$25,200 and \$25,200) respectively, which the Company paid in the normal course of operations to a company controlled by a former officer of the Company.

9. BASIC AND DILUTED LOSS PER SHARE

The following table sets forth the computation of basic and diluted loss per share:

	Three months ended		Six months ended June 30, 2010	Period from date of incorporation on March 27, 2009 to June 30, 2009
	June 30, 2010	June 30, 2009		
Numerator:				
Loss for the period and comprehensive loss	\$ (571,239)	\$ (750,771)	\$ (803,187)	\$ (765,176)
Numerator for basic and diluted loss per share	<u>\$ (571,239)</u>	<u>\$ (750,771)</u>	<u>\$ (803,187)</u>	<u>\$ (765,176)</u>
Denominator:				
Weighted average number of common shares	42,155,750	10,182,417	42,155,750	10,182,417
Denominator for basic and diluted loss per share	<u>42,155,750</u>	<u>10,182,417</u>	<u>42,155,750</u>	<u>10,182,417</u>
Basic and diluted loss per share	<u>\$ (0.01)</u>	<u>\$ (0.07)</u>	<u>\$ (0.02)</u>	<u>\$ (0.08)</u>

The stock options and share purchase warrants were not included in the computation of diluted loss per share as their inclusion would be anti-dilutive.

10. FINANCIAL INSTRUMENTS AND CURRENCY RISK

Fair values:

The carrying values of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities reflected in the consolidated balance sheet approximate fair value because of the short-term maturity of these financial instruments. At June 30, 2010, the carrying amounts of the Company's foreign currency-denominated net financial assets are approximately as follows:

	Net financial assets	Effect of 10% change in exchange rate on earnings/loss
US dollars	\$ 300	\$ —
Euros	5,200	500
British pounds	165,000	16,500
	<u>\$ 170,500</u>	<u>\$ 17,000</u>

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The Company has a future tax liability denominated in pound sterling. A 10% change in the foreign exchange rate could impact this future tax liability and earnings/loss by approximately \$25,700.

11. SEGMENTED REPORTING

The Company has one operating segment, the exploration of gold properties in Northern Ireland, with a head office in Canada. The geographical segmentation of the Company's assets and revenues are as follows:

	Canada \$	Northern Ireland \$	Total \$
As at June 30, 2010			
Current assets	1,724,427	—	1,724,427
Mineral properties	—	7,570,374	7,570,374
Property, plant and equipment.....	3,121	4,736	7,857
Total assets	<u>1,727,548</u>	<u>7,575,110</u>	<u>9,302,658</u>
Three months ended, June 30, 2010			
Revenue	—	—	—
Net loss.....	<u>555,322</u>	<u>15,917</u>	<u>571,239</u>
Six months ended, June 30, 2010			
Revenue	—	—	—
Net loss.....	<u>789,106</u>	<u>14,081</u>	<u>803,187</u>
As at December 31, 2009			
Current assets	2,690,407	7,234	2,697,641
Mineral properties	—	6,976,214	6,976,214
Property, plant and equipment.....	—	1,793	1,793
Total assets	<u>2,690,407</u>	<u>6,985,241</u>	<u>9,675,648</u>
Three months ended, June 30, 2009			
Revenue	—	—	—
Net loss.....	<u>750,771</u>	—	<u>750,771</u>
Period from date of incorporation on March 27, 2009 to June 30, 2009			
Revenue	—	—	—
Net loss.....	<u>765,176</u>	—	<u>765,176</u>

DALRADIAN RESOURCES INC.

(AN EXPLORATION STAGE COMPANY)

Notes to Consolidated Financial Statements
(Expressed in Canadian dollars)

Three and six months ended June 30, 2010, three months ended June 30, 2009, and the period from the date of incorporation on March 27, 2009, to June 30, 2009
(Unaudited)

12. SUBSEQUENT EVENTS

- (a) The Company entered into an agency agreement dated July 12, 2010, with GMP Securities L.P., Dundee Securities Corporation, Clarus Securities Inc. and Cormark Securities Inc. (collectively, the "Agents") for a proposed initial public offering of units of the Company for up to \$30 million. The size of the offering was subsequently increased and the Company entered into an amended and restated agency agreement dated July 14, 2010, with the Agents for a proposed initial public offering of units of the Company for up to \$34,050,000. Each unit consisted of one common share and one-half of one common share purchase warrant. The Company also granted to the Agents an over-allotment option to purchase additional units equal to up to 15% of the number of units issued pursuant to the offering. The Company closed this offering on August 10, 2010.

Deferred share issue costs of \$378,279 incurred during the three months ended June 30, 2010 will be reclassified to share issue costs within share capital in the quarter ended September 30, 2010.

- (b) On July 21, 2010, the Company received a demand letter from legal counsel engaged by David C. Knight and Carlin Trend Mining Supplies and Services ("Carlin Trend") seeking payment of approximately US\$172,000 as reimbursement for debts incurred by C³ in respect of the Company's Northern Ireland mining properties and the right to subscribe for an undetermined number of shares in the Company (collectively, the "Payment").

Mr. Knight and Carlin Trend claim that the Payment is owed to them in connection with the assignment of the rights and obligations of C³ under an Option Agreement granting C³ the option to acquire an equity interest in DGL. The Option Agreement was transferred to the Company pursuant to an assignment and assumption agreement (the "Assignment Agreement") in consideration for \$100,000, which consideration was paid. There was no provision or reference to the Payment in the Assignment Agreement and neither Mr. Knight nor Carlin Trend has been able to provide the Company with a written agreement which provides for the Payment demanded.

As at the August 12, 2010, litigation had not commenced and the Company is unable to determine the outcome of the allegations of Mr. Knight and Carlin Trend or the financial or other impact of these allegations on its business. The Company believes that the allegations of Mr. Knight and Carlin Trend are without merit and intends to defend the allegations vigorously.

- (c) On August 10, 2010, the Company's common shares and warrants began trading on the Toronto Stock Exchange under the symbols DNA and DNA.WT respectively.