



**UNOR INC**

**ANNUAL REPORT**

**MARCH 31, 2009**



## **CORPORATE PROFILE**

**Listing:** TSX Venture - Symbol **UNI** US OTC – Symbol **UNOFF**

**Share Capital:**

- **Authorized:** Unlimited number of common shares  
Unlimited number of preferred shares
  
- **As of June 17, 2009 issued:**
  - 145,315,756 common shares
  - 12,754,471 warrants @ wt avg 31 cents
  - 7,611,667 options @ wt avg 36 cents

**Officers:**

- George Bell, President & CEO
- David Bent, Vice President Exploration
- Thomas Devlin, Secretary, Controller & CFO

**Directors:**

- Ronald Barnes, Chairman
- Bruno Arnold
- Birks Bovaird
- Andrew Rickaby

**Auditors:**

McGovern, Hurley, Cunningham, LLP  
2005 Sheppard Avenue, Suite 300  
Toronto, Ontario M2J 5B4

**Legal Counsel:**

Beach, Hepburn, LLP  
36 Toronto Street, Suite 1000  
Toronto, Ontario M5C 2C5

**Head Office:**

Suite 700 – 357 Bay Street  
Toronto, Ontario, Canada M5H 2T7

Phone: +416-368-0114 Fax: +416-368-0198  
Website: [www.unorinc.com](http://www.unorinc.com)

**UNOR INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**March 31, 2009**

---

This Management Discussion and Analysis (“MD&A”) has been prepared as of June 17, 2009 and should be read in conjunction with the audited financial statements of the Company for the year ended March 31, 2009, and the related notes. The Company’s reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in Canadian dollars unless noted otherwise. The Company reports its financial position, results of operations and cash flows in accordance with Canadian generally accepted accounting principles.

**1. Forward-Looking Statements**

This MD&A contains certain forward-looking statements. These interim statements are based on certain estimates and assumptions and involve risks and uncertainties, including but not limited to: political risks, title risks, commodity price and currency exchange rate risks, operating and environmental hazards encountered in the mineral exploration and development business, general industry and economic conditions, changes in the regulatory requirements affecting the Company’s business, future capital expenditures and the availability and terms of financing. Consequently, actual results and events may vary significantly from those included, contemplated or implied by such statements.

**2. Corporate Overview**

Due to the limited capital funds market the company does not expect to conduct a 2009 uranium field exploration program. During the period September/December 2009, the company anticipates being in the market to raise flow-through funds for the 2010 field season.

In 1996, UNOR Inc. (“UNOR” or the “Company”) was incorporated in Ontario with its primary focus on uranium exploration in Nunavut, Canada. Nunavut is the only territory and/or province that has settled its native land claim issues.

In June 2006, Cameco Corporation (“Cameco”) acquired 19.5% of the Company and the companies agreed to a Strategic Alliance Agreement that provides to UNOR ongoing uranium technical knowledge, guidance and exploration opportunities. In September 2006, Cameco and UNOR established a Joint Technical Committee to facilitate consultations between the companies with respect of exploration programs.

On November 12, 2008 the Company issued 2,200,000 flow-through common shares at \$0.05 per share pursuant to a non-brokered private placement to raise gross proceeds of \$110,000.

On December 11, 2008, the Company issued 833,350 units at \$0.06 per unit and on December 19, 2008 the Company issued 2,500,001 units at \$0.06 per unit pursuant to a non-brokered private placement to raise gross proceeds of \$200,001. Each unit consists of one (1) flow-through common share and one (1) common share purchase warrant. Each common share purchase warrant entitles the holders to purchase one common share at \$0.10 per share for two years.

Since 2003, the Company has invested \$22 million on its 100% owned Coppermine property out of the total of \$32 million spent in western Nunavut on the systematic exploration and advancement of the Company’s uranium mineral properties.

UNOR is a reporting issuer in Ontario, British Columbia and Alberta and trades on the TSX Venture Exchange under the symbol UNI.

Continued...

**UNOR INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**March 31, 2009**

---

**3. Operating Strategy**

The Company's overall mineral exploration strategy is based on aggressively and systematically pursuing the discovery of uranium deposits in Nunavut while maintaining its gold and copper assets in Ontario and in British Columbia.

**4. Exploration Properties**

Due to the limited capital funds market the company does not expect to conduct a 2009 uranium field exploration program.

***Major highlights of the 2008 field program include:***

*100% Owned Coppermine Uranium Property:*

- Intersection (HB-08-60) of a **6.4** metre radioactive interval (58-64.4m) on the western fault boundary of the Hot Creek Graben. Priority assays of samples from the radioactive interval indicate a peak content of **0.105%** U<sub>3</sub>O<sub>8</sub> over **0.7** meters. Geological, geophysical and drill data confirm the importance of structure as a secondary control of mineralization.
- Imaging using natural electromagnetic field information indicates a major basement uplift in the centre of the property.
- Ground geophysics discovered a new conductor on claim CM 56 and a northern extension of the Wolf Creek conductor.

*Statistics for field work completed during the 2008 season include the following:*

- **9** drill holes (uranium) for a total of **1327** meters
- **100** drill core samples submitted for assay and PIMA studies
- **838** soil samples collected in **8** target areas for Soil Gas Hydrocarbon predictive geochemistry analysis
- **283** surface rock samples collected for assay
- **140** surface rock samples collected for mineralogical and PIMA studies
- **160.75** kilometers of ground geophysics on the Coppermine project
- **110.7** kilometers of ground geophysics on the Lac Rouviere JV
- Airborne gamma-ray/magnetometer survey: Lac Rouviere JV – **16,227 km**; Unor (Coppermine Block) – **1,492 km**; UNOR JV – **1,811 km**

***Other UNOR Properties:***

In October 2008, the April 2005 Option Agreement between Laurion Mineral Exploration Inc. and the Company was terminated with the Company retaining its 100% ownership of the five gold leases near Timmins, Ontario.

UNOR has a 5% net smelter royalty interest on 4,000 acres at the old Similkameen copper porphyry mine 30 kilometres south of Princeton, British Columbia which is currently under development by Copper Mountain Mining Corp. Also, the Company owns four mineral Crown Grants located in the Princeton area that was formerly part of the Camsell property. The Crown Grants cover the historical Independence Mine workings that exploited high grade copper in a breccia pipe. The pipe is part of a much larger porphyry copper-gold deposit that has not been explored at depth. The surface

Continued...

**UNOR INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**March 31, 2009**

---

mineralization is generally low grade and the few holes drilled in the past were targeted on specific structures and did not test depths greater than 400 feet.

**Exploration and Development Expenses**

	<b>2009</b>	<b>2008</b>
Airborne Geophysics	\$ 495,099	\$ 90,308
Assaying	42,355	79,471
Baffin Island JV	(194,952)	204,472
Camp and support	840,062	1,228,066
Drilling	956,197	2,482,187
Geology	748,432	1,199,357
Ground geophysics	699,801	1,656,954
Lease rental payments	2,225	42,566
Program planning and reports	374,804	45,564
Recording fees and taxes	27,953	37,911
Staking	-	9,554
Surveying	-	273,686
	<u>\$ 3,991,977</u>	<u>\$ 7,350,096</u>

**5. Liquidity and Capital Resources**

The Company has no operating revenues and relies primarily on equity financings as well as the exercise of warrants and options to fund its exploration and administrative costs.

The Company's operations consist of the exploration and evaluation of its various properties, a process that is ongoing, and is dependent on many factors some of which are beyond the Company's control. The Company maintains a policy of reviewing its working capital requirements on a continuous basis and is mindful of its property and administrative commitments.

At March 31, 2009, the Company's working capital totaled \$180,965 compared to \$4,348,142 at March 31, 2008. Cash balances were \$157,387 compared with \$4,017,083 at March 31, 2008. These decreases are primarily due to expenditures of \$4,473,343 less financings of \$287,028.

Continued...

**UNOR INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**March 31, 2009**

---

**Selected Annual Information**

	2009	Year ending March 31, 2008	2007
	\$	\$	\$
Total revenues	83,837	168,105	243,641
Net loss	4,442,836	7,221,095	7,301,087
Basic net loss per share	0.03	0.06	0.06
Diluted net loss per share	0.03	0.06	0.06
Total assets	437,049	4,501,212	7,252,915

**6. Results of Operations**

During the year ended March 31, 2009, the Company recorded an operating loss \$4,442,836 compared to \$7,221,095 for the year ended December 31, 2008. This decrease is primarily due to a reduction in exploration expenses of approximately \$3,500,000 and a reduction in general and administration expenses of approximately \$470,000 as a result of reduced activity. See item 4 for details of exploration expenditures and the following schedules provides the details of general and administration expenses.

**General and Administration Expenses**

	<b>2009</b>	<b>2008</b>
Depreciation	\$ 16,000	\$ 10,600
Directors fees	54,625	60,000
Insurance	34,942	36,615
Interest and bank charges	1,076	2,478
Office and general	108,927	107,834
Ontario capital taxes recovered	(659)	12,492
Professional fees	106,751	235,161
Salaries and benefits	125,825	149,192
Shareholders information	64,236	78,432
Stock option compensation	62,550	192,392
Tax interest on flow-through funds	33,355	70,472
Travel and promotion	16,968	141,936
	<u>\$ 624,596</u>	<u>\$ 1,097,604</u>

Continued...

**UNOR INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**March 31, 2009**

---

**Summary of Quarterly Results**

	Fiscal 2009			
	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Total Revenues	\$ 1,253	\$ 2,629	\$ 22,001	\$ 57,953
Net loss (income)	148,236	479,344	2,649,145	1,166,111
Basic net loss (income) per share	0.00	0.00	0.02	0.01
Diluted net loss (income) per share	0.00	0.00	0.02	0.01

  

	Fiscal 2008			
	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Total Revenues	\$ 33,986	\$ 19,689	\$ 33,030	\$ 81,400
Net loss (income)	366,641	(59,889)	3,603,293	3,311,050
Basic net loss (income) per share	0.00	(0.00)	0.03	0.03
Diluted net loss (income) per share	0.00	(0.00)	0.03	0.03

**7. Outstanding Share Data**

As of June 17, 2009, the Company has issued one class of common shares and a total of 145,315,756 shares are outstanding. The Company has 12,754,471 share purchase warrants outstanding. Each warrant entitles the holder to purchase one common share at prices of \$0.10 to \$0.45 per share until March 1, 2010. Stock options outstanding as of June 17, 2009 total 7,611,667 and are exercisable for common shares at prices ranging from \$0.10 per share to \$0.67 per share

**8. Commitments**

- (a) Pursuant to the issuance of 5,533,351 flow-through shares in November and December 2008 the Company will renounce \$310,001 of qualified exploration expenditures with an effective date of December 31, 2008. As of March 31, 2009, the Company had expended \$226,436 related to these flow through funds and is required to expend the balance of \$83,565 by December 31, 2009.
- (b) The Company is committed to minimum rentals under a long-term lease for premises, which expires May 31, 2012. Minimum rental commitments remaining under this lease approximate \$108,000 including \$34,000 due within one year. Minimum rental commitments for successive fiscal years approximate:

<u>Year</u>	<u>Amount</u>
	\$
2010	34,000
2011	34,000
2012	34,000
2013	6,000
	108,000

Continued...

**UNOR INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**March 31, 2009**

---

**9.Changes in Accounting Policies**

On April 1, 2008, the Company adopted the following new accounting standards:

**a) Capital Disclosures**

CICA Handbook Section 1535 specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such noncompliance. The Company has included disclosures recommended by the new section in Note 5 to these consolidated financial statements.

**b) Financial Instruments – Disclosures and Presentation**

CICA Handbook Sections 3862 and 3863 replace Section 3861, Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. The Company has included disclosures recommended by the new Handbook sections in Note 6 to these consolidated financial statements.

**c) Mineral Exploration Expenditures**

Effective March 31, 2009, the Company changed its accounting policy of capitalizing mineral property exploration and development costs in order to provide more reliable and relevant financial information during the current period of market uncertainty and for all future periods. Under the new policy, which is in accordance with CICA Handbook Section 3061, exploration and development costs are expensed until it has been established that a mineral deposit is commercially viable and a mine development decision has been made by the Company. Thereafter, the Company capitalizes expenditures subsequently incurred to develop the mine, prior to the start of mining operations. The consolidated financial statements for the year ended March 31, 2008 have been restated to reflect adjustments made as a result of this change in accounting policy. The accumulated effect of the change has been reflected in the opening deficit of the consolidated financial statements for the year ended March 31, 2008.

The following is a reconciliation of the Company's consolidated balance sheet as at March 31, 2008, and consolidated statements of operations, comprehensive loss and deficit and cash flows for the year then ended reflecting the impact of the restatement:

Continued...

**UNOR INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**MARCH 31, 2009**

	As at March 31, 2008		
	As Previously Reported \$	Adjustment \$	As Restated \$
<b>Balance Sheet</b>			
Current assets	4,060,231	381,000	4,441,231
Equipment	59,981	-	59,981
Prepaid mineral exploration expenditures	381,000	(381,000)	-
Interests in mineral properties	28,432,010	(28,432,010)	-
Total assets	<u>32,933,222</u>	<u>(28,432,010)</u>	<u>4,501,212</u>
Current liabilities	93,089	-	93,089
Future income tax liability	3,353,500	(3,353,500)	-
Total liabilities	<u>3,446,589</u>	<u>(3,353,500)</u>	<u>93,089</u>
Capital stock	34,414,534	-	34,414,534
Contributed surplus	3,643,428	-	3,643,428
Deficit	(8,571,329)	(25,078,510)	(33,649,839)
Total shareholders' equity	<u>29,486,633</u>	<u>(25,078,510)</u>	<u>4,408,123</u>
Total liabilities and shareholders' equity	<u>32,933,222</u>	<u>(28,432,010)</u>	<u>4,501,212</u>
<b>For the year ended March 31, 2008</b>			
	As Previously Reported \$	Adjustment \$	As Restated \$
<b>Statement of Operations</b>			
Revenue	143,105	25,000	168,105
Exploration expenses	-	7,350,096	7,350,096
General and administration	1,097,604	-	1,097,604
Future income tax (recovery)	(839,700)	(218,800)	(1,058,500)
Net loss for the year	116,120	7,104,975	7,221,095
Loss per share – basic and diluted	0.00	0.06	0.06
<b>Statement of Cash Flows</b>			
Cash flows from operating activities	(23,677)	(6,557,169)	(6,580,846)
Cash flows from financing activities	4,144,953	-	4,144,953
Cash flows from investing activities	(6,595,582)	6,557,169	(38,413)

**d) 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 EIC had no impact on the Company's consolidated financial statements for the year ended March 31, 2009

**UNOR INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**MARCH 31, 2009**

**10. Future Accounting Pronouncements**

**International Financial Reporting Standards (“IFRS”)**

In February 2008, the CICA Accounting Standards Board confirmed that public companies will be required to prepare interim and annual financial statements under IFRS for fiscal years beginning on or after January 1, 2011. Management is currently assessing the impact of adopting IFRS and it has not yet determined its effect on the Company’s consolidated financial statements.

**Business Combinations, Consolidated Financial Statements and Non-Controlling Interests**

The CICA issued three new accounting standards in January 2009: Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements and Section 1602, Non-Controlling Interests. These new standards will be effective for fiscal years beginning on or after January 1, 2011. Sections 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to IFRS 3 - Business Combinations. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace 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. It is equivalent to the corresponding provisions of IFRS IAS 27 - Consolidated and Separate Financial Statements. The Company is currently in the process of evaluating the impact of these standards.

**11. 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.

The carrying amounts for cash and cash equivalents, refundable deposits, GST receivable and accounts payable and accruals on the balance sheet approximate fair value because of the limited term of the instruments.

**12. Litigation**

The Company is not involved in any outstanding litigation.

**UNOR INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**MARCH 31, 2009**

**13. Off Balance Sheet Arrangements**

The Company has no off balance sheet arrangements.

**14. Related Party Transactions**

The Company had no related party transactions except in the normal course of operations that were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Cameco currently holds a 18.7% interest in the Company. Under the terms of a strategic alliance agreement dated June 19, 2006, Cameco has the right to maintain this interest through future participation in cash and non-cash share offerings of the Company as well as share issuances on the conversion of convertible instruments. Cameco can exercise this right as long as at the time of the offering it holds a minimum of 16% of the issued and outstanding shares of the Company. Cameco is also entitled to nominate one individual for election to the board of directors of the Company as long as it holds not less than 10% of the issued and outstanding shares of the Company.

**15. Directors and Officers Compensation**

During the year ended March 31, 2009 the Company paid \$54,625 to directors of the Company and \$363,805 to officers of the Company as remuneration for services provided.

**16. Disclosure Controls and Procedures and Internal Control over Financial Reporting**

The Company has established and is maintaining disclosure controls and procedures. These provide reasonable assurance that material information relating to the Company is disclosed in annual filings, interim filings or other reports and is recorded, processed, summarized and reported within the time periods as required by securities regulations.

Management has evaluated the effectiveness of the Company's disclosure controls and procedures and believes that they are sufficient to provide reasonable assurance that the Company's disclosures are compliant with securities regulations.

The Company has established and is maintaining internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Generally Accepted Accounting Practices.

No changes in the Company's internal control over financial reporting has occurred that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

**UNOR INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**MARCH 31, 2009**

**17. Risks & Uncertainties**

***Exploration***

The Company's exploration projects are subject to conditions beyond its control that can affect the carrying costs and development costs for varying lengths of time. Such conditions include environmental hazards, unusual or unexpected geological formations or pressures and periodic interruptions due to inclement or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or facilities, personal injury, environmental damage, delays in exploration programs, monetary losses and possible legal liability. Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful. Success in establishing reserves is a result of a number of factors, including the quality of management, the Company's level of geological and technical expertise, the quality of land holdings, the availability of suitable contractors, and other factors. Through high standards and continuous improvement the Company works to reduce these risks and maintains insurance to cover normal business risks.

If mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling, to determine the optimal metallurgical process to extract the metals from the ore and to construct mining and processing facilities. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment of resources or reserves. Whether a resource deposit will ultimately be commercially viable depends on a number of factors, including the particular attributes of the deposit such as the deposit's size, financing costs and the prevailing prices for the applicable resource. Also of key importance are government regulations, including those relating to prices, taxes, royalties, land tenure, land use and environmental protection.

***Financing***

In the absence of cash flow from operations the Company relies on the capital markets to fund operations. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that additional funding will be available, or available under terms favourable to the Company. Failure to obtain such additional finance could result in delay or the indefinite postponement of further exploration and the development of the Company's properties.

***Licenses and Permits, Laws and Regulations***

The Company's exploration activities require permits from various government authorities, and are subject to extensive federal provincial and local laws and regulations governing prospecting, exploration, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become stringent and compliance can therefore become more costly. The Company relies on the expertise and commitment of its management team, their advisors, its employees and contractors to ensure compliance with current laws and fosters a climate of open communication and co-operation with regulatory bodies.

**UNOR INC.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**MARCH 31, 2009**

The Company believes that it holds all necessary licenses and permits under applicable laws and regulations and believes it is presently complying in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to change in various circumstances. There can be no guarantee that the Company will be able to maintain or obtain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities or to maintain continued operations.

***Environmental, Health and Safety***

The Company's activities are subject to extensive federal, provincial and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, where enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The company is also subject to various reclamation-related conditions imposed under federal or provincial rules and permits, and there can be no assurance that they will not change in the future in a manner that could have a material effect on the Company's financial condition, liquidity or results of operations.

**Form 52-109FV1**

**CERTIFICATION OF ANNUAL FILINGS**

**I, George P. Bell, the Chief Executive Officer of Unor Inc.,** certify the following:

1. I have reviewed the AIF, if any, annual financial statements and annual MD&A, including, for greater certainty, all documents and information that are incorporated by reference in the AIF (together the annual filings) of Unor Inc. (the issuer) for the financial year ended March 31, 2009;
2. Based on my knowledge, having exercised reasonable diligence, the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings; and
3. Based on my knowledge, having exercised reasonable diligence, the interim financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the annual filings.

Date: June 17, 2009

(Signed) "*George P. Bell*"

\_\_\_\_\_  
President and CEO

**NOTE TO READER**

In contrast to the certificate required under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) Controls and other procedures designed to provide reasonable assurances that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

**Form 52-109FV1**

**CERTIFICATION OF ANNUAL FILINGS**

**I, Thomas P. Devlin, the Chief Financial Officer of Unor Inc.,** certify the following:

1. I have reviewed the AIF, if any, annual financial statements and annual MD&A, including, for greater certainty, all documents and information that are incorporated by reference in the AIF (together the annual filings) of Unor Inc. (the issuer) for the financial year ended March 31, 2009;
2. Based on my knowledge, having exercised reasonable diligence, the annual filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the annual filings; and
3. Based on my knowledge, having exercised reasonable diligence, the interim financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the annual filings.

Date: June 17, 2009

(Signed) "*Thomas P. Devlin*"

Secretary and CFO

**NOTE TO READER**

In contrast to the certificate required under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) Controls and other procedures designed to provide reasonable assurances that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

**UNOR INC.**

**(A Development Stage Company)**

**Consolidated Financial Statements**

**March 31, 2009**



McGovern, Hurley, Cunningham, LLP  
Chartered Accountants

**AUDITORS' REPORT**

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

We have audited the consolidated balance sheets of Unor Inc. (A Development Stage Company) as at March 31, 2009 and 2008 and the consolidated statements of operations, comprehensive loss and deficit 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 March 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**

A handwritten signature in black ink that reads 'McGovern, Hurley, Cunningham, LLP'.

**Chartered Accountants**  
**Licensed Public Accountants**

TORONTO, Canada  
June 1, 2009

**UNOR INC.**  
(A Development Stage Company)  
**Consolidated Balance Sheets**  
As at March 31,

	2009 \$	2008 \$
<b>Assets</b>		
<b>Current</b>		
Cash and equivalents	157,387	4,017,083
Refundable deposits	25,167	-
Amounts receivable	55,750	35,000
GST receivable	3,535	35,148
Prepaid expenses	8,000	354,000
	<u>249,839</u>	<u>4,441,231</u>
<b>Equipment (Note 7)</b>	<u>43,981</u>	<u>59,981</u>
	<u><u>293,820</u></u>	<u><u>4,501,212</u></u>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current Liabilities</b>		
Accounts payable and accruals	<u>68,855</u>	<u>93,089</u>
<b>Shareholders' Equity</b>		
Capital Stock (Note 9)	34,611,662	34,414,534
Contributed Surplus (Note 10)	3,705,978	3,643,428
Deficit	<u>(38,092,675)</u>	<u>(33,649,839)</u>
Total Equity	<u>224,965</u>	<u>4,408,123</u>
	<u><u>293,820</u></u>	<u><u>4,501,212</u></u>

**GOING CONCERN** (Note 1)  
**COMMITMENTS** (Notes 8 and 12)

APPROVED ON BEHALF OF THE BOARD:

Signed "RONALD BARNES" \_\_\_\_\_, Director

Signed "JAMES BOVAIRD" \_\_\_\_\_, Director

**UNOR INC.****(A Development Stage Company)****Consolidated Statements of Operations, Comprehensive Loss and Deficit****For the years ended March 31,**

	2009 \$	2008 \$
<b>Revenue</b>		
Interest from held-for-trading financial assets	58,837	143,105
Option payments	25,000	25,000
	<u>83,837</u>	<u>168,105</u>
<b>Expenditures</b>		
Exploration expenses (Schedule I)	3,991,977	7,350,096
General and administration Expenses (Schedule II)	624,596	1,097,604
	<u>4,616,573</u>	<u>8,447,700</u>
<b>Loss before income taxes</b>	(4,532,736)	(8,279,595)
<b>Future income tax recovery (Note 11)</b>	89,900	1,058,500
	<u>(4,442,836)</u>	<u>(7,221,095)</u>
<b>Net loss and comprehensive loss for the year</b>	(4,442,836)	(7,221,095)
<b>Deficit, beginning of year</b>	(33,649,839)	(26,428,744)
	<u>(38,092,675)</u>	<u>(33,649,839)</u>
<b>Deficit, end of year</b>	<u>(38,092,675)</u>	<u>(33,649,839)</u>
<b>Loss per share – basic and diluted</b>	(0.03)	(0.06)
<b>Weighted average number of common shares outstanding</b>	<u>141,582,045</u>	<u>128,572,511</u>

See accompanying notes to the financial statements

# UNOR INC.

(A Development Stage Company)

Schedules to the Consolidated Statements of Operations, Comprehensive Loss and Deficit

For the years ended March 31,

	2009	2008
	\$	\$
<b>Schedule I - Exploration Expenses</b>		
Airborne Geophysics	495,099	90,308
Assaying	42,355	79,471
Baffin Island expenditures (recoveries)	(194,952)	204,472
Camp and support	840,062	1,228,066
Drilling	956,197	2,482,187
Geology	748,432	1,199,357
Ground geophysics	699,801	1,656,954
Lease rental payments	2,225	42,566
Program planning and reports	374,804	45,564
Recording fees and taxes	27,953	37,911
Staking	-	9,554
Surveying	-	273,686
	<b>3,991,977</b>	<b>7,350,096</b>
<b>Schedule II - General and Administration Expenses</b>		
Depreciation	16,000	10,600
Directors' fees	54,625	60,000
Insurance	34,942	36,615
Interest and bank charges	1,076	2,478
Office and general	108,927	107,834
Ontario capital taxes (recovered)	(659)	12,492
Professional fees	106,751	235,161
Salaries and benefits	125,825	149,192
Shareholders' information	64,236	78,432
Stock option compensation	62,550	192,392
Interest on flow-through funds	33,355	70,472
Travel and promotion	16,968	141,936
	<b>624,596</b>	<b>1,097,604</b>

See accompanying notes to the financial statements

**UNOR INC.**  
**(A Development Stage Company)**  
**Consolidated Statements of Cash Flows**  
**For the years ended March 31,**

	2009 \$	2008 \$
<b>Cash flows from</b>		
<b>Operating activities</b>		
Loss from operations	(4,442,836)	(7,221,095)
Less: Operating items not involving cash		
Depreciation	16,000	10,600
Stock option compensation	62,550	192,392
Future income tax recovery	(89,900)	(1,058,500)
Change in non cash working capital		
(Increase) decrease in refundable deposits	(25,168)	669,853
Decrease in GST receivable	31,613	11,357
(Increase) in amounts receivable	(20,749)	(35,000)
Decrease in contractor advances	-	670,809
Decrease in prepaid expenses	346,000	159,000
(Decrease) increase in accounts payable and accruals	(24,234)	19,738
	<b>(4,146,724)</b>	<b>(6,580,846)</b>
<b>Financing activities</b>		
Issuance of common shares and warrants	287,028	4,144,953
<b>Investing activities</b>		
Purchase of equipment	-	(38,413)
<b>(Decrease) in cash and equivalents</b>	<b>(3,859,696)</b>	<b>(2,474,306)</b>
<b>Cash and equivalents at beginning of year</b>	<b>4,017,083</b>	<b>6,491,389</b>
<b>Cash and equivalents at end of year</b>	<b>157,387</b>	<b>4,017,083</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Interest paid	33,376	71,375
Income taxes paid	-	-
Common shares issued for share issue costs (Note 9)	-	43,860
Warrants issued for share issue costs (Note 9)	-	136,552
Cash and equivalents are composed of the following:		
Cash	5,364	366,301
Cash equivalents	152,023	3,650,782
	<b>157,387</b>	<b>4,017,083</b>

See accompanying notes to the financial statements

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

---

**1. NATURE OF OPERATIONS AND GOING CONCERN**

Unor Inc. (the "Company") is a development stage company as defined by the Canadian Institute of Chartered Accountants (the "CICA") Accounting Guideline 11 and currently has interests in exploration and development properties in Canada. Substantially all of the Company's efforts are devoted to financing and developing these properties. There has been no determination whether the Company's interests in mineral properties contain mineral reserves which are economically recoverable.

The business of 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 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.

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

These consolidated financial statements have been prepared in accordance with Canadian GAAP 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. Such adjustments could be material.

The Company has a need for equity capital and financing in order to explore and develop its properties and for working capital requirements. 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. It is not possible to predict whether financing efforts will be successful.

**2. CHANGES IN ACCOUNTING POLICIES**

On April 1, 2008, the Company adopted the following new accounting standards:

**a) Capital Disclosures**

CICA Handbook Section 1535 specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such noncompliance. The Company has included disclosures recommended by the new section in Note 5 to these consolidated financial statements.

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

---

**2. CHANGES IN ACCOUNTING POLICIES (Continued)**

**b) Financial Instruments – Disclosures and Presentation**

CICA Handbook Sections 3862 and 3863 replace Section 3861, Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. The Company has included disclosures recommended by the new Handbook sections in Note 6 to these consolidated financial statements.

**c) Mineral Exploration Expenditures**

Effective March 31, 2009, the Company changed its accounting policy of capitalizing mineral property exploration and development costs in order to provide more reliable and relevant financial information during the current period of market uncertainty and for all future periods. Under the new policy, which is in accordance with CICA Handbook Section 3061, exploration and development costs are expensed until it has been established that a mineral deposit is commercially viable and a mine development decision has been made by the Company. Thereafter, the Company capitalizes expenditures subsequently incurred to develop the mine, prior to the start of mining operations. The consolidated financial statements for the year ended March 31, 2008 have been restated to reflect adjustments made as a result of this change in accounting policy. The accumulated effect of the change has been reflected in the opening deficit of the consolidated financial statements for the year ended March 31, 2008.

The following is a reconciliation of the Company's consolidated balance sheet as at March 31, 2008, and consolidated statements of operations, comprehensive loss and deficit and cash flows for the year then ended reflecting the impact of the restatement:

	As at March 31, 2008		
	As Previously Reported \$	Adjustment \$	As Restated \$
<b>Balance Sheet</b>			
Current assets	4,060,231	381,000	4,441,231
Equipment	59,981	-	59,981
Prepaid mineral exploration expenditures	381,000	(381,000)	-
Interests in mineral properties	28,432,010	(28,432,010)	-
Total assets	32,933,222	(28,432,010)	4,501,212
Current liabilities	93,089	-	93,089
Future income tax liability	3,353,500	(3,353,500)	-
Total liabilities	3,446,589	(3,353,500)	93,089
Capital stock	34,414,534	-	34,414,534
Contributed surplus	3,643,428	-	3,643,428
Deficit	(8,571,329)	(25,078,510)	(33,649,839)
Total shareholders' equity	29,486,633	(25,078,510)	4,408,123
Total liabilities and shareholders' equity	32,933,222	(28,432,010)	4,501,212

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

---

**2. CHANGES IN ACCOUNTING POLICIES (Continued)**

**c) Mineral exploration expenditures**

	For the year ended March 31, 2008		
	As Previously Reported \$	Adjustment \$	As Restated \$
<b>Statement of Operations</b>			
Revenue	143,105	25,000	168,105
Exploration expenses	-	7,350,096	7,350,096
General and administration	1,097,604	-	1,097,604
Future income tax (recovery)	(839,700)	(218,800)	(1,058,500)
Net loss for the year	116,120	7,104,975	7,221,095
Loss per share – basic and diluted	0.00	0.06	0.06
<b>Statement of Cash Flows</b>			
Cash flows from operating activities	(23,677)	(6,557,169)	(6,580,846)
Cash flows from financing activities	4,144,953	-	4,144,953
Cash flows from investing activities	(6,595,582)	6,557,169	(38,413)

**d) 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 EIC had no impact on the Company's consolidated financial statements for the year ended March 31, 2009

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Company are in accordance with Canadian generally accepted accounting principles and their basis of application is consistent with that of the previous year except as described in Note 2. Outlined below are those policies considered particularly significant:

**Principles of Consolidation:**

These consolidated financial statements include the accounts of the Company, its 100% owned subsidiaries and its proportionate share of the accounts of joint ventures in which the Company has an interest.

**Equipment and Amortization:**

Equipment is stated at acquisition cost. Amortization is provided on the straight line basis over the estimated useful lives of the equipment at the following annual rates:

Furniture and fixtures	20%
Computer equipment	30%

**Cash and Equivalents:**

Cash and equivalents include cash and highly liquid investments with original maturities of three months or less and cashable guaranteed investment certificates (GICs). The Company invests cash in term deposits maintained in high credit quality institutions. All of the GICs are cashable before maturity without penalty and have been treated as cash equivalents.

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

---

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Exploration and Development of Mineral Property Interests:**

Once a decision has been made to acquire a property interest, all significant payments and obligations to make payments, including interest and accretion expenses related to any obligations to make payments, are capitalized and recorded as mineral property interests on the balance sheet. Prior to an acquisition decision being made, all option payments are expensed as incurred.

Exploration costs are expensed as incurred. Development costs are expensed until it has been established that a mineral deposit is commercially viable and a mine development decision has been made by the Company. Thereafter, the Company capitalizes expenditures subsequently incurred to develop the mine, prior to the start of mining operations.

**Asset Retirement Obligations:**

The Company is required to record a liability for the estimated future costs associated with legal obligations relating to the reclamation and closure of its mineral exploration properties. This amount is initially recorded at its discounted present value with a corresponding amount charged to operations. The ARO liability is increased each reporting period due to the passage of time and the amount of accretion is charged to operations. Management is not aware of any asset retirement obligations as at March 31, 2009 and 2008.

**Use of Estimates:**

The preparation of financial statements in accordance 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 consolidated financial statements and the related reported amounts of revenues and expenses 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 affect the valuation of asset retirement obligations, stock option compensation, warrants and income tax accounts. The Company regularly reviews its estimates and assumptions; however, actual results could differ from these estimates and these differences could be material.

**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. Total shares issuable from options and warrants excluded from the computation of diluted loss per share because they were anti-dilutive for the year ended March 31, 2009 were 5,836,667 (2008 – 7,890,447) and 12,754,471 (2008 – 9,421,120) respectively.

**Marketable Securities:**

Marketable securities are classified as “held-for-trading” and are carried at fair market value.

**Stock Option Compensation:**

The Company records compensation cost based on the fair value method of accounting for stock option compensation. The fair value of stock options is determined using the Black-Scholes option pricing model. The fair value of the options is recognized over the vesting period as compensation expense and contributed surplus. When options are exercised, the proceeds received, together with any related amount in contributed surplus, will be credited to capital stock.

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

---

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Flow-Through Financing:**

The Company has financed a portion of its exploration activities through the issue of flow-through shares, which transfer the tax deductibility of exploration expenditures to the investor. Proceeds received on the issue of such shares have been credited to capital stock and the related exploration costs have been charged to operations.

Resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. When these expenditures are renounced, temporary taxable differences created by the renunciation will reduce capital stock.

**Income Taxes:**

The Company follows the asset and liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are determined based on differences between the financial statement carrying values and the income tax bases of assets and liabilities, and are measured using the substantively enacted income tax rates and laws that are expected to be in effect when the temporary differences are expected to reverse. The effect on future income tax assets and liabilities of a change in income tax rates is recognized in the period that includes the date of enactment or substantive enactment of the change. When the future realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the potential future benefit is taken and no net asset is recognized.

**Financial Instruments:**

Financial assets and liabilities, including derivative instruments, are initially recognized and subsequently measured based on their classification as "held-for-trading", "available-for-sale" financial assets, "held-to-maturity", "loans and receivables", or "other" financial liabilities. Held-for-trading financial instruments are measured at their fair value with changes in fair value recognized in net income for the period. Available-for-sale financial assets are measured at their fair value and changes in fair value are included in other comprehensive income until the asset is removed from the balance sheet or unrealized loss are determined to be other than temporary. Held-to-maturity investments, loans and receivables and other financial liabilities are measured at amortized cost using the effective interest rate method. Derivative instruments, including embedded derivatives, are measured at their fair value with changes in fair value recognized in net income for the period, unless the instrument is a cash flow hedge and hedge accounting applies, in which case changes in fair value are recognized in other comprehensive income.

**Comprehensive Income:**

Comprehensive income, composed of net income and other comprehensive income, is defined as the change in shareholders' equity from transactions and other events from non-owner sources. Other comprehensive income ("OCI") includes unrealized gains and losses on available-for-sale securities and changes in the fair market value of derivatives designated as cash flow hedges, all net of related income taxes. The components of comprehensive income are disclosed in the statement of operations and comprehensive income. Cumulative changes in other comprehensive income are included in accumulated other comprehensive income ("AOCI") which is presented as a new category in shareholders' equity.

**Foreign currency translation:**

Transactions and account balances originally stated in currencies other than the Canadian dollar have been translated into Canadian dollars using the temporal method of foreign currency translation as follows. Monetary assets and monetary liabilities in foreign currencies have been translated at exchange rates in effect at the balance sheet date. Revenue and expense transactions are translated at average exchange rates during the year. Exchange gains or losses from such translation practices are reflected in the consolidated statements of operations.

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

---

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Comparative Figures:**

Certain comparative amounts have been reclassified to conform to the current year's presentation.

**4. FUTURE ACCOUNTING PRONOUNCEMENTS**

**International Financial Reporting Standards ("IFRS")**

In February 2008, the CICA Accounting Standards Board confirmed that public companies will be required to prepare interim and annual financial statements under IFRS for fiscal years beginning on or after January 1, 2011. Management is currently assessing the impact of adopting IFRS and it has not yet determined its effect on the Company's consolidated financial statements.

**Business Combinations, Consolidated Financial Statements and Non-Controlling Interests**

The CICA issued three new accounting standards in January 2009: Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements and Section 1602, Non-Controlling Interests. These new standards will be effective for fiscal years beginning on or after January 1, 2011. Section 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to IFRS 3 - Business Combinations. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace 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. It is equivalent to the corresponding provisions of IFRS IAS 27 - Consolidated and Separate Financial Statements. The Company is currently in the process of evaluating the impact of these standards.

**5. CAPITAL MANAGEMENT**

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The capital of the Company consists of capital stock, and contributed surplus. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Several properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the year ended March 31, 2009. The Company is not subject to externally imposed capital requirements.

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

---

**6. FINANCIAL RISK FACTORS**

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

**Credit risk**

The Company's credit risk is primarily attributable to cash equivalents and amounts receivable. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents consist of bank deposits which have been invested with or purchased from reputable financial institutions. Amounts receivable consist primarily of refundable mineral property lease payments due from the Federal Government of Canada, from which management believes the risk of loss to be remote.

**Liquidity risk**

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2009, the Company had a cash and equivalents balance of \$157,387 (2008 - \$4,017,083) to settle current liabilities of \$68,855 (2008 - \$93,089). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

**Market risk**

**(a) Interest rate risk**

The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

**(b) Foreign currency risk**

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. From time to time, the Company funds certain operations, exploration and administrative expenses in US dollars on a cash call basis using US dollar currency converted from its Canadian dollar bank accounts held in Canada. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk. The Company does not hold significant balances in foreign currencies to give rise to exposure to foreign exchange risk.

**(c) Price risk**

The Company is exposed to price risk with respect to commodity prices. Changes in commodity prices will impact the economics of development of the Company's mineral properties. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a revenue producing entity.

**Fair value**

The Company has designated its cash and equivalents as held-for-trading, which are measured at fair value. Amounts receivable and GST receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accruals are classified as other financial liabilities, which are measured at amortized cost.

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.

The carrying amounts for cash and equivalents, amounts receivable, GST receivable and accounts payable and accruals on the balance sheet approximate fair value because of the limited term of the instruments.

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

---

**7. EQUIPMENT**

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net March 31, 2009</u>	<u>Net March 31, 2008</u>
	\$	\$	\$	\$
Furniture and fixtures	43,225	32,058	11,167	13,567
Computer equipment	<u>77,598</u>	<u>44,784</u>	<u>32,814</u>	<u>46,414</u>
	<u>120,823</u>	<u>76,842</u>	<u>43,981</u>	<u>59,981</u>

**8. MINERAL PROPERTIES**

**(a) ASIAK RIVER, NUNAVUT**

The Company held a 100% interest in 90 mineral claims in the Asiak River area of Nunavut. During the 2007 exploration season the Company surveyed 16 of these claims to convert to leases and allowed the other 74 claims to lapse. The 16 remaining leases were withdrawn on April 9, 2009.

**(b) COPPERMINE RIVER, NUNAVUT**

The Company held a 100% interest in 103 mineral leases and 16 mineral claims in the Coppermine River area of Nunavut. 63 of these leases were withdrawn on April 9, 2009. The 40 remaining leases are subject to a 1% net smelter royalty and/or a 1% gross diamond royalty to a maximum of \$10,000,000. Cumulative exploration and development expenditures made by the Company on this project as at March 31, 2009 totaled \$22,482,770 (2008 – \$22,020,362).

**(c) EAST BLOCK, NUNAVUT**

The Company held a 100% interest in 9 mineral leases and 7 mineral claims in the East Block area of Nunavut. The mineral claims were allowed to lapse on July 28, 2008 and the leases were withdrawn on April 9, 2009.

**(d) UNAD JV, NUNAVUT**

Pursuant to agreements dated September 30, 2006 the Company holds a 50% interest in certain mineral claims in the Coppermine River area of Nunavut. (See Note 14). Cumulative exploration and development expenditures made by the Company on this project as at March 31, 2009 totaled \$772,313 (2008 – \$478,213).

**(e) LAC ROUVIERE PROPERTY, NUNAVUT**

On October 23, 2006 the Company entered into an option agreement with Cameco Corporation ("Cameco") on 206 uranium mineral claims held by Cameco in western Nunavut which adjoin the northwest corner of the Company's wholly owned Coppermine River claim block. Following examination of the results of the 2007 and 2008 exploration program the parties have decided that no further work is merited and the permits will be allowed to lapse.

**(f) BAFFIN ISLAND, NUNAVUT**

On February 5, 2007, the Company entered into a joint venture agreement with Cameco to establish a joint venture to explore for uranium on 27 prospecting permits currently held by Cameco on Baffin Island, Nunavut, Canada. Following examination of the results of the 2007 exploration program the parties have decided that no further work is merited and the permits will be allowed to lapse.

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

**8. INTEREST IN MINERAL PROPERTIES (continued)**

**(g) ONTARIO GOLD PROPERTIES**

In October 2008, the April 2005 Option Agreement between Laurion Mineral Exploration Inc. and the Company was terminated with the Company retaining its 100% ownership of the five gold leases near Timmins, Ontario.

**(h) B.C. PROPERTIES**

The Company holds a 100% interest in four Crown grants in the Camsell and Similkameen area of British Columbia and a 5% net smelter royalty interest on certain parts of the Similkameen Copper Mine. Cumulative exploration and development expenditures made by the Company on this project as at March 31, 2009 totaled \$32,651 (2008 – \$32,514).

**9. CAPITAL STOCK**

**(i) Common Shares**

**Authorized**

Unlimited number of common shares

Unlimited number of preference shares

**Issued**

145,315,756 common shares

	<b>March 31, 2009</b>		<b>March 31, 2008</b>	
	<b>Number of Shares</b>	<b>Amount</b>	<b>Number of Shares</b>	<b>Amount</b>
Balance at beginning of year	<b>139,782,405</b>	<b>\$33,771,889</b>	123,517,307	\$31,328,081
Issued by private placements	<b>5,533,351</b>	<b>256,667</b>	16,007,098	3,742,614
Issued for share issue costs	-	-	258,000	43,860
Less: Share issue costs	-	<b>(22,973)</b>	-	(284,166)
Renunciation of flow-through expenditures	-	<b>(89,900)</b>	-	(1,058,500)
Balance at end of year	<b>145,315,756</b>	<b>\$33,915,683</b>	139,782,405	\$33,771,889

**Issued**

12,754,471 warrants

	<b>March 31, 2009</b>		<b>March 31, 2008</b>	
	<b>Number of Warrants</b>	<b>Amount</b>	<b>Number of Warrants</b>	<b>Amount</b>
Balance at beginning of year	<b>9,421,120</b>	<b>\$642,645</b>	4,094,008	638,017
Expired	-	-	(4,094,008)	(638,017)
Issued by private placements	<b>3,333,351</b>	<b>53,334</b>	8,003,549	645,894
Issued for share issue costs	-	-	1,417,571	136,552
Issue costs	-	-	-	(139,801)
Balance at end of year	<b>12,754,471</b>	<b>\$695,979</b>	9,421,120	642,645

**\$34,611,662**

**\$ 34,414,534**

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

---

**9. CAPITAL STOCK (Continued)**

On October 4, 2007, the Company issued 4,285,714 units at \$0.35 per unit pursuant to a non-brokered private placement to raise gross proceeds of \$1,500,000. Each unit consists of one (1) flow-through common share and one half (1/2) common share purchase warrant. Cameco, pursuant to the terms of the UNOR/Cameco strategic alliance agreement (Note 13), subscribed for 1,038,154 units at \$0.30 per unit for gross proceeds of \$311,446. Each unit consists of one (1) common share and one half (1/2) common share purchase warrant. Each common share purchase warrant entitles the holders to purchase one common share at \$0.45 per share for two years. In connection with this private placement, the Company issued 428,571 common share purchase warrants exercisable at \$0.35 per share for two years as a finders fee.

On December 28, 2007, the Company issued 8,600,000 units at \$0.25 per unit pursuant to a non-brokered private placement to raise gross proceeds of \$2,150,000. Each unit consists of one (1) flow-through common share and one half (1/2) common share purchase warrant. Each common share purchase warrant entitles the holder to purchase one common share at \$0.35 per share for two years. In connection with this private placement, the Company issued 258,000 units with the same terms as the private placement and 860,000 common share purchase warrants exercisable at \$0.25 per share for two years as a finders fee.

Pursuant to the terms of the UNOR/Cameco strategic alliance agreement (Note 13) and pursuant to the private placement completed by the Company on December 28, 2007, Cameco, on February 29, 2008 subscribed for 2,083,230 units at \$0.205 per unit for gross proceeds of \$427,062. Each unit consists of one (1) common share and one half (1/2) common share purchase warrant. Each whole common share purchase warrant entitles the holders to purchase one common share at \$0.35 per share for two years.

On November 12, 2008 the Company issued 2,200,000 flow-through common shares at \$0.05 per share pursuant to a non-brokered private placement to raise gross proceeds of \$110,000.

On December 11, 2008, the Company issued 833,350 units at \$0.06 per unit and on December 19, 2008 the Company issued 2,500,001 units at \$0.06 per unit pursuant to a non-brokered private placement to raise gross proceeds of \$200,001. Each unit consists of one (1) flow-through common share and one (1) common share purchase warrant. Each common share purchase warrant entitles the holders to purchase one common share at \$0.10 per share for one year.

**(ii) Warrants**

The fair values of warrants issued have been estimated using the Black-Scholes option-pricing model. Assumptions used in the pricing model are as follows:

	<u>2009</u>	<u>2008</u>
Average risk-free interest rate	1.29%	2.8%
Expected life	1 year	2 years
Expected volatility	148%	89 – 91%
Expected dividends	Nil	Nil

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

**9. CAPITAL STOCK (Continued)**

**Warrants outstanding**

Number of Warrants	Exercise Price	Expiry Date	Book value
2,661,934	\$ 0.45	05-Oct-09	\$ 230,845
428,571	0.35	05-Oct-09	55,712
4,300,000	0.35	28-Dec-09	223,167
860,000	0.25	28-Dec-09	60,200
129,000	0.35	28-Dec-09	20,640
1,041,615	0.35	01-Mar-10	52,081
833,350	0.10	10-Dec-09	13,334
2,500,001	0.10	21-Dec-09	40,000
<u>12,754,471</u>			<u>\$ 695,979</u>

Each warrant entitles the holder to purchase one common share of the Company.

Share purchase warrant transactions for the respective years ended March 31 were as follows:

	2009		2008	
	Number #	Weighted average exercise price per share \$	Number #	Weighted average exercise price per share \$
Balance, beginning of the year	9,421,120	0.37	4,094,008	0.56
Granted	3,333,351	0.10	9,421,120	0.37
Expired	-	-	(4,094,008)	0.56
Balance, end of the year	<u>12,754,471</u>	<u>0.30</u>	<u>9,421,120</u>	<u>0.37</u>

**(iii) Options**

The Company's Stock Option Plan (the "Plan") provides for the granting of stock options to directors, officers, employees and consultants of the Company. Share options are granted for a term not to exceed five years at exercise prices not less than the closing sale price of the shares on the TSX Venture Exchange on the trading day immediately preceding the date the options are granted, and are not transferrable. The Plan is administered by the Board of Directors, which determines individual eligibility under the Plan, number of shares reserved for optioning to each individual (not to exceed 5% of issued and outstanding shares to any one individual) and the vesting period. The maximum number of shares of the Company that are issuable pursuant to the Plan is limited to 10% of the issued and outstanding common shares.

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

**9. CAPITAL STOCK (Continued)**

Options to purchase common shares of the Company have been granted in accordance with the Plan as follows:

	2009		2008	
	Number	Weighted average exercise price per share	Number	Weighted average exercise price per share
	#	\$	#	\$
Balance, beginning of the year	7,890,447	0.44	6,720,447	0.48
Granted	-	-	1,220,000	0.22
Expired	(1,970,447)	0.39	(50,000)	0.35
Forfeited	(83,333)	0.22	-	-
Balance, end of the year	<u>5,836,667</u>	0.45	<u>7,890,447</u>	0.44
Options exercisable, end of the year	<u>5,711,000</u>		<u>7,315,447</u>	

The weighted average grant date fair value of options granted during the year ended March 31, 2008 was estimated to be \$0.12. 802,000 options granted during the year ended March 31, 2008 vested immediately, 209,000 vested in one year and 209,000 vest in two years. During the year ended March 31, 2009, 83,333 of these options were forfeited as a result of the condition of employment not having been met prior to vesting.

The fair values of options granted have been estimated using the Black-Scholes option-pricing model. Assumptions used in the pricing model are as follows:

	<u>2008</u>
Average risk-free interest rate	3.2%
Expected life	5 years
Expected volatility	102%
Expected dividends	Nil

Options to purchase common shares outstanding at March 31, 2009 carry exercise prices and remaining terms to maturity as follows:

Number of Options	Options Exercisable	Exercise Price	Expiry Date
425,000	425,000	\$0.35	14-Apr-09 (i)
1,300,000	1,300,000	0.60	20-Sep-09
100,000	100,000	0.67	04-Oct-09
100,000	100,000	0.63	04-Oct-09
50,000	50,000	0.55	20-Oct-09
150,000	150,000	0.55	26-Oct-09
350,000	350,000	0.55	21-Apr-10
150,000	150,000	0.60	13-Jul-10
1,100,000	1,100,000	0.38	05-Jan-11
975,000	975,000	0.57	06-Mar-12
1,136,667	1,011,000	0.22	19-Feb-13
<u>5,836,667</u>	<u>5,711,000</u>		

(i) Subsequent to March 31, 2009, these options expired unexercised.

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

---

**10. CONTRIBUTED SURPLUS**

Contributed surplus transactions for the respective years ended March 31 were as follows:

	<u>2009</u>	<u>2008</u>
	\$	\$
Balance, beginning of year	3,643,428	2,813,019
Employee stock option compensation	52,635	162,954
Non employee stock option compensation	9,915	29,438
Expiry of warrants	-	638,017
Balance, end of year	<u>3,705,978</u>	<u>3,643,428</u>

**11. INCOME TAXES**

(a) **Provision for Income Taxes**

Major items causing the Company's income tax rate to differ from the Canadian statutory rate of 34% (2008 – 35%) were as follows:

	<u>2009</u>	<u>2008</u>
	\$	\$
Loss before income taxes	<u>(4,389,506)</u>	<u>(8,279,595)</u>
Expected income tax recovery	(1,510,000)	(2,931,000)
Adjustments to benefit resulting from:		
Stock option compensation	22,100	68,100
Share issue costs	(6,300)	(70,500)
Expiring non-capital losses	46,500	62,000
Change in tax rates	237,000	1,398,000
Other	(4,100)	(12,100)
	<u>(1,214,800)</u>	<u>(1,485,500)</u>
Change in valuation allowance	1,124,900	427,000
Future income tax recovery	<u>(89,900)</u>	<u>(1,058,500)</u>

(b) The future income tax assets and liabilities consist of the following temporary differences:

	<u>2009</u>	<u>2008</u>
	\$	\$
Equipment	22,300	17,700
Non-capital loss carry-forwards	244,600	222,100
Resource expenditures	5,650,500	4,465,800
Share issue costs	99,300	186,200
Valuation allowance	<u>(6,016,700)</u>	<u>(4,891,800)</u>
	<u>-</u>	<u>-</u>

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

---

**11. INCOME TAXES (Continued)**

- (c) As at March 31, 2009, the Company has accumulated losses for income tax purposes of approximately \$843,000 that are available to be carried-forward to reduce taxable income of future years. These losses expire as follows:

<u>Year</u>	<u>Amount</u> \$
2010	5,000
2014	69,000
2015	95,000
2026	169,000
2027	66,000
2028	201,000
2029	238,000
	<u>843,000</u>

The Company has approximately \$815,000 and \$18,574,000 Canadian development expenses and Canadian exploration expenditures respectively, as at March 31, 2009 which, under certain circumstances, may be utilized to reduce taxable income of future years.

**12. COMMITMENTS**

- (a) Pursuant to the issuance of 5,533,351 flow-through shares in November and December 2008 the Company renounced \$310,001 of qualified exploration expenditures with an effective date of December 31, 2008. As of March 31, 2009, the Company had expended \$226,436 related to these flow through funds and is required to expend the balance of \$83,565 by December 31, 2009. The Company has indemnified the subscribers of current and previous flow-through share offerings against any tax related amounts that become payable by the shareholder as a result of the Company not meeting its expenditure commitments.
- (b) The Company is committed to minimum rentals under a long-term lease for premises, which expires May 31, 2012. Minimum rental commitments remaining under this lease approximate \$108,000 including \$34,000 due within one year. Minimum rental commitments for successive years approximate:

<u>Year</u>	<u>Amount</u> \$
2010	34,000
2011	34,000
2012	34,000
2013	6,000
	<u>108,000</u>

Continued...

**UNOR INC.**  
**(A Development Stage Company)**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2009 and 2008**

---

**13. RELATED PARTY TRANSACTIONS**

Cameco currently holds an 18.7% interest in the Company. Under the terms of a strategic alliance agreement dated June 19, 2006, Cameco has the right to maintain a 19.5% interest through future participation in cash and non-cash share offerings of the Company as well as share issuances on the conversion of convertible instruments. Cameco can exercise this right as long as at the time of the offering it holds a minimum of 16% of the issued and outstanding shares of the Company. Cameco is also entitled to nominate one individual for election to the board of directors of the Company as long as it holds not less than 10% of the issued and outstanding shares of the Company.

Directors of the Company participated in the private placement of common shares on November 12, 2008 described in Note 9(i) and purchased a total of 400,000 common shares of the Company for gross proceeds of \$20,000.

**14. INTERESTS IN JOINT VENTURES**

The Company's proportionate share of the assets, liabilities and cash flows of its joint ventures as described in Notes 8(d) and (f) included in these consolidated financial statements are as follows:

	2009	2008
	\$	\$
Current assets	-	-
Equipment	-	-
Current liabilities	-	-
Revenues	-	-
Expenses	-	-
Cash flows from operating activities	136,568	(428,987)
Cash flows from financing activities	-	-
Cash flows from investing activities	-	-