

Interim Consolidated Financial Statements
(Unaudited)
(Stated in Canadian Dollars)

Skybridge Development Corp.
March 31, 2009

NOTICE TO SHAREHOLDERS
FOR THE THREE MONTHS ENDED MARCH 31, 2009
SKYBRIDGE DEVELOPMENT CORP

Responsibility for Financial Statements

The accompanying consolidated financial statements for Skybridge Development Corp. have been prepared by management in accordance with Canadian generally accepted accounting principles consistently applied. The most significant of these accounting principles have been set out in the December 31, 2008 audited consolidated financial statements. Only changes in accounting information have been disclosed in these financial statements. These statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented.

Skybridge Development Corp.
(Incorporated under the laws of Ontario)

CONSOLIDATED BALANCE SHEETS

(Unaudited)

As at March 31, 2009
(with comparative figures as at December 31, 2008)
(Stated in Canadian Dollars)

| | 2009 | 2008 |
|---|------------------|------------------|
| | \$ | \$ |
| ASSETS | | |
| Current | | |
| Cash and cash equivalents | 203,887 | 597,682 |
| Investments <i>[note 4]</i> | 75,000 | 75,000 |
| Accounts receivable | 249,268 | 254,203 |
| Prepays and deposits | 23,590 | 58,726 |
| Total current assets | 551,745 | 985,611 |
| Property, plant and equipment <i>[note 6]</i> | 4,439 | 4,794 |
| Mineral properties <i>[note 7]</i> | 4,382,388 | 4,136,671 |
| | 4,938,572 | 5,127,076 |
| LIABILITIES | | |
| Current | | |
| Accounts payable and accrued liabilities | 98,546 | 122,318 |
| Long term tax payable | 29,399 | 29,399 |
| Future tax liability | 548,241 | 481,606 |
| SHAREHOLDERS' EQUITY | | |
| Share capital | | |
| Issued | | |
| Common shares <i>[note 8]</i> | 5,141,444 | 5,235,494 |
| Share purchase warrants <i>[note 9]</i> | 59,303 | 59,303 |
| Contributed surplus <i>[note 11]</i> | 358,971 | 341,908 |
| Deficit | (1,297,332) | (1,142,952) |
| Total shareholders' equity | 4,262,386 | 4,493,753 |
| | 4,938,572 | 5,127,076 |

Nature of Business and Going Concern *[note 1]*

Standby Letters of Credit *[note 5]*

Commitments *[note 14]*

See accompanying notes to consolidated financial statements

On behalf of the Board:

"John Seaman"
Director

"Ewan Downie"
Director

Skybridge Development Corp.

**CONSOLIDATED STATEMENTS OF EARNINGS AND
DEFICIT**

(Unaudited)

For the three months ended March 31
(Stated in Canadian Dollars)

| | 2009 | 2008 |
|---|--------------------|-----------|
| | \$ | \$ |
| REVENUE | | |
| Investment income | 614 | - |
| EXPENSES | | |
| Amortization | 355 | - |
| Compensation adjustment for stock options granted <i>[note 10]</i> | 17,063 | - |
| Flow-through interest penalty | 1,424 | - |
| General and administrative | 171,229 | 100,101 |
| Professional fees | 27,338 | 2,787 |
| | 217,409 | 102,888 |
| Loss before the following | (216,795) | (102,888) |
| Loss before income taxes | (216,795) | (102,888) |
| Future tax recovery | (62,415) | - |
| Loss and comprehensive loss for period | (154,380) | (102,888) |
| Deficit, beginning of period | (1,142,952) | (35,209) |
| Deficit, end of period | (1,297,332) | (138,097) |
| Basic and diluted loss per share <i>[note 12]</i> | (0.01) | (0.09) |

See accompanying notes to consolidated financial statements

Skybridge Development Corp.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

For the three months ended March 31

(Stated in Canadian Dollars)

| | 2009 | 2008 |
|--|-----------|-----------|
| | \$ | \$ |
| OPERATING ACTIVITIES | | |
| Loss and comprehensive loss for period | (154,380) | (102,888) |
| Add charges (deduct credits) to earnings not involving a current payment (receipt) of cash | | |
| Amortization | 355 | - |
| Compensation adjustment for stock options granted | 17,063 | - |
| Future tax recovery | (62,415) | - |
| | (199,377) | (102,888) |
| Net change in non-cash working capital balances related to operations | 13,264 | 145,209 |
| Cash provided by (used in) operating activities | (186,113) | 42,321 |
| INVESTMENT ACTIVITIES | | |
| Mineral exploration and development expenditures, net | (210,717) | (22,640) |
| Net change in non-cash working capital balances related to investment activities | 3,035 | - |
| Cash used in investment activities | (207,682) | (22,640) |
| Increase (decrease) in cash and cash equivalents during period | (393,795) | 19,681 |
| Cash and cash equivalents, beginning of period | 597,682 | 14,749 |
| Cash and cash equivalents, end of period | 203,887 | 34,430 |

See accompanying notes to consolidated financial statements

Skybridge Development Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the three months ended March 31, 2009
(with comparative figures for the year ended December 31, 2008)
(Stated in Canadian Dollars)

1. NATURE OF BUSINESS AND GOING CONCERN

Skybridge Development Corp. (the "Corporation" or "Skybridge") was incorporated under the laws of the Province of British Columbia on January 30, 2007 and received continuance of its articles of incorporation into the Province of Ontario on October 28, 2008. Skybridge is a publicly traded corporation listed on the TSX Venture Exchange (the "TSX-V" or "Exchange") as a Tier 2 mining issuer involved in exploration and development of mineral properties in Nunavut and Ontario, Canada.

On November 29, 2007 the Corporation entered into Share Exchange Agreements (the "Agreements") with Alyris Gold Corporation ("Alyris") and its shareholders under which the shareholders of Alyris would acquire Skybridge through a reverse takeover transaction. On May 26, 2008 the Corporation received all required approvals and the transaction was completed. Skybridge Development Corp. was the name retained for the ongoing entity and is the continuance of Alyris Gold Corporation. Alyris was incorporated under the laws of the Province of Ontario on April 4, 2007.

The Corporation's ability to continue as a going concern is dependent upon the continued financial support of its shareholders, and the Corporation's ability to acquire additional equity financing. Based on its prior demonstrated ability to raise capital, management believes that the Corporation's capital resources should be adequate to continue operating and maintain its current business strategy during the coming year. However, if the Corporation is unable to raise additional capital in the near future, management expects that the Corporation will need to modify its work plans.

These unaudited interim consolidated financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Corporation be unable to continue as a going concern.

The accompanying unaudited interim consolidated financial statements have been prepared on the basis of Canadian generally accepted accounting principles applicable to a going concern. The appropriateness of using the going concern basis is dependent upon, among other things, future profitable operations, the ability to realize assets and discharge liabilities in the normal course of business in the foreseeable future and the ability of the Corporation to raise additional capital. Specifically, the recovery of the Corporation's investment in mineral properties and related deferred expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Corporation to obtain necessary financing to develop the properties and establish future profitable production from the properties, or from the proceeds of their disposition.

Skybridge Development Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the three months ended March 31, 2009
(with comparative figures for the year ended December 31, 2008)
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2. AGREEMENT WITH MEGA SILVER INC.

On February 5, 2009 the Corporation announced that it had entered into a binding letter agreement with Mega Silver Inc. (MSR-TSX-V) ("Mega") to combine the two companies through an all share transaction (the "Transaction"). Under the terms of the Transaction, shareholders of Skybridge will receive one (1) Mega common share in exchange for each two and one-half (2.5) Skybridge common shares held. Based upon the number of Skybridge common shares and Mega common shares outstanding as at January 27, 2009 (on an undiluted basis), and upon completion of the Transaction, Mega will issue an aggregate of approximately 8,305,588 Mega common shares to Skybridge shareholders, representing approximately 23% of the 35,222,572 outstanding Mega common shares following the transaction. The Transaction will be effected by way of a three-cornered amalgamation, whereby a wholly-owned subsidiary of Mega will amalgamate with Skybridge and, upon completion of the transaction, the resulting company will be a wholly-owned subsidiary of Mega and will continue to carry out the business of Skybridge. The common shares of Skybridge will be de-listed from the TSX Venture Exchange prior to closing of the Transaction. Completion of the Transaction is subject to a number of conditions, including, but not limited to, a fifteen day due diligence period, the receipt of all required approvals, including approval of the TSX Venture Exchange and Skybridge shareholders at a meeting to be held on May 25, 2009.

3. SIGNIFICANT ACCOUNTING POLICIES

The unaudited interim consolidated financial statements of the Corporation have been prepared by management on the basis of the Corporation's continuance as a going-concern and follow the same accounting policies as the most recent annual audited financial statements except for the changes as noted below. The unaudited interim consolidated financial statement note disclosures do not include all of those required by Canadian generally accepted accounting principles applicable for audited annual consolidated financial statements. Accordingly, these unaudited interim consolidated financial statements should be read in conjunction with the 2008 audited consolidated financial statements.

Mineral properties

The cost of mineral properties includes all direct exploration costs including administrative expenses and certain deferred costs that can be directly related to specific projects. Exploration and associated costs relating to non specific projects / properties are expensed in the period incurred. Significant property acquisition, exploration costs relating to specific properties for which economically recoverable reserves are believed to exist are deferred until the project to which they relate is sold, abandoned or placed into production. Costs related to properties abandoned are written-off when it is determined that the property has no continuing value.

All of the Corporation's properties are in the exploration stage and have not yet attained commercial production. The ultimate realization of the carrying value of properties in the exploration stage is dependent upon the successful development or sale of these properties.

Skybridge Development Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the three months ended March 31, 2009
(with comparative figures for the year ended December 31, 2008)
(Stated in Canadian Dollars)

Basis of consolidation

These unaudited interim consolidated financial statements include the accounts of the Corporation and its wholly owned subsidiary, Alyris Gold Corporation. All inter-company balances and transactions have been eliminated on consolidation.

FUTURE ACCOUNTING CHANGES

Convergence with International Financial Reporting Standards

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with International Financial Reporting Standards (IFRS) over an expected five-year transitional period. In February 2008, the AcSB announced that 2011 is the transition date for publicly listed companies to implement IFRS, which will replace Canadian GAAP for these types of entities.

The effective date for this change is interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of quarterly and annual amounts reported by the Corporation for the year ended December 31, 2010. While the Corporation has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

Business Combinations / Consolidated Financial Statements / Non-Controlling Interests

In January 2009, the CICA adopted sections 1582, "Business Combinations", 1601, "Consolidated Financial Statements", and 1602, "Non-Controlling Interests" which superseded current sections 1581, "Business Combinations" and 1600, "Consolidated Financial Statements". These sections will be applied 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. Earlier adoption is permitted. If an entity applies these sections before January 1, 2011, it is required to disclose that fact and apply each of the new sections concurrently. These new sections were created to converge Canadian GAAP to IFRS.

Skybridge Development Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the three months ended March 31, 2009
(with comparative figures for the year ended December 31, 2008)
(Stated in Canadian Dollars)

4. INVESTMENTS

| | 2009 | | 2008 | |
|------------------------------------|--------------|------------|--------------|------------|
| | Market \$ | Cost \$ | Market \$ | Cost \$ |
| Guaranteed investment certificates | 75,000 | 75,000 | 75,000 | 75,000 |

The Corporation has entered into an agreement with the Royal Bank of Canada that prevents the Corporation from removing securities or monies from its account if the effect would be to reduce the market value of the account below the security provided for in the letters of credit described in note 5. As at March 31, 2009, the Corporation held a Canadian dollar denominated guaranteed investment certificate maturing July 28, 2009, yielding 2.15% [December 31, 2008- 2.15%].

5. STANDBY LETTERS OF CREDIT

The Corporation has a \$75,000 standby letter of credit outstanding in favour of the Kitikmeot Inuit Association relating to reclamation obligations associated with the Blue Caribou Property in Nunavut.

Security for the standby letter of credit held with the Royal Bank of Canada is described in note 4.

6. PROPERTY, PLANT AND EQUIPMENT

Details of period-end property, plant and equipment balances are as follows:

| | 2009 | | 2008 | |
|----------------------------|------------|-----------------------------------|------------|-----------------------------------|
| | Cost \$ | Accumulated amortization \$ | Cost \$ | Accumulated amortization \$ |
| Office equipment | 6,497 | 2,058 | 6,497 | 1,703 |
| | 6,497 | 2,058 | 6,497 | 1,703 |
| Capital assets, net | | 4,439 | | 4,794 |

Amortization for the period is \$355 [2008 - \$1,049].

Skybridge Development Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the three months ended March 31, 2009
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7. MINERAL PROPERTIES

Accumulated costs with respect to the Corporation's interest in mineral properties owned, leased or under option, consisted of the following:

| | 2009 | | | 2008 |
|----------------------------------|---|---------------------|--------------------------------|-----------|
| | Deferred exploration expenditures | Acquisition cost | Option payments received | Total |
| | \$ | \$ | \$ | \$ |
| Blue Caribou Project, Nunavut | 4,238,318 | 2,455 | - | 4,240,773 |
| Lavery Project, Ontario | 6,615 | 135,000 | - | 141,615 |
| | 4,244,933 | 137,455 | - | 4,382,388 |

Blue Caribou

The Blue Caribou property located in Nunavut, Canada is comprised of 23 mining claims covering 58,106 acres. The claims were staked by the Corporation in June 2007 subject to an Inuit Owned Land Use License administered by the Kitikmeot Inuit Association.

Property Acquisitions and Agreements

Lavery

On February 2, 2009 the Corporation acquired the historic "Lavery" property in Red Lake, Ontario. The initial payment obligation at signing of the Definitive Agreement between the parties was \$100,000 cash and issuance of 250,000 Skybridge shares. Terms of the 48 month option-purchase agreement between Skybridge and the vendor, Mosquito Consolidated Gold Mines Limited ("Mosquito") include annual payments totaling \$500,000, issuance of 1,500,000 common shares of Skybridge and exploration work commitments totaling \$1,500,000. Mosquito retains a 2% Net Smelter Returns royalty with Skybridge granted the right to purchase half within one year of the final closing of the fully vested option agreement for \$1,000,000. Terms and share issuance remain subject to TSX Venture Exchange and all regulatory approvals.

East My-Ritt

On February 17, 2009, the Corporation entered into a Letter of Intent in respect of an option to acquire a 100% interest in the "East My-Ritt" property in Red Lake, Ontario from a Joint Venture between Premier Gold Mines Limited and Sabina Silver Corporation (the "Vendors"). Terms of the option agreement between Skybridge and the Vendors include cash payments totaling \$250,000, issuance of 1,500,000 common shares of Skybridge along with exploration work commitments totaling \$1,250,000. Initial payment obligation at signing of the Definitive Agreement between the parties includes \$50,000 cash and issuance of 500,000 Skybridge shares. The Vendors retain a 0.5% Net Smelter Returns royalty with Skybridge and the Vendors jointly retaining the right to buy out underlying royalty provisions on a prorated basis as may be available for purchase. Underlying royalty provisions include a 3% Net Smelter Returns royalty on all 8 claims, as well as a 10% Net Profits Interest (NPI) on six of the claims. Terms and share issuance remain subject to TSX Venture Exchange and all regulatory approvals.

Skybridge Development Corp.

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8. COMMON SHARES

The Corporation is authorized to issue an unlimited number of common shares.

| | Number # | Value \$ |
|--------------------------------------|-------------------|------------------|
| Balance, December 31, 2008 | 20,013,970 | 5,235,494 |
| Shares issued for mineral properties | 250,000 | 35,000 |
| Flow-through share renunciation | - | (129,050) |
| Balance, March 31, 2009 | 20,263,970 | 5,141,444 |

The Corporation completed the following financing activities during the period:

Shares issued for mineral properties

The Corporation issued 250,000 shares in connection with the acquisition of the Laverty property in Red Lake, Ontario [note 7].

9. SHARE PURCHASE WARRANTS

The following table reflects the continuity of warrants:

| Expiry Date | Exercise | 2009 Opening | Warrants | Warrants | Warrants | March 31, |
|--------------------|----------|--------------|----------|-----------|----------|--------------|
| | Price | Balance | Issued | Exercised | Expired | 2009 Closing |
| | \$ | # | # | # | # | Balance |
| July 19, 2009 | 0.10 | 179,780 | - | - | - | 179,780 |
| September 30, 2009 | 0.30 | 80,000 | - | - | - | 80,000 |
| March 30, 2010* | 0.55 | 2,500,000 | - | - | - | 2,500,000 |
| | | 2,759,780 | - | - | - | 2,759,780 |

(*) Warrants are subject to a 30 day, reduced exercise period in the event the Corporation's share price closes above \$0.55 for a period of 20 consecutive trading days.

The fair value of the share purchase warrants were estimated using the Black-Scholes option pricing model. The assumptions used for the valuation of the respective warrants were:

No dividends are to be paid, expected volatility 44%, a risk-free interest rate of 3.50% and an expected life to the expiry date. Value assigned to the 2,500,000 share purchase warrants issued in the September 30, 2008 private placement was \$47,499. Value assigned to the 80,000 brokers warrants issued in the September 30, 2008 private placement was \$5,040. In 2007, 200,000 broker warrants were issued with a value assigned of \$7,525.

Skybridge Development Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the three months ended March 31, 2009
(with comparative figures for the year ended December 31, 2008)
(Stated in Canadian Dollars)

The following table reflects the value of share purchase warrants currently outstanding:

| Warrants | Number # | Value \$ |
|---|---------------------|---------------------|
| Broker warrants, exercisable at \$0.10 and expiring July 19, 2009 | 179,780 | 6,764 |
| Broker warrants, exercisable at \$0.30 and expiring September 30, 2009 | 80,000 | 5,040 |
| Share purchase warrants, exercisable at \$0.55 and expiring March 30, 2010 | 2,500,000 | 47,499 |
| | 2,759,780 | 59,303 |

Skybridge Development Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the three months ended March 31, 2009
(with comparative figures for the year ended December 31, 2008)
(Stated in Canadian Dollars)

10. SHARE INCENTIVE PLAN

The Corporation has a share incentive plan (the "Plan") which is restricted to directors, officers, key employees and consultants of the Corporation. The number of common shares subject to options granted under the Plan (and under all other management options and employee stock purchase plans) is limited to 10% in the aggregate and 5% with respect to any one optionee of the number of issued and outstanding common shares of the Corporation at the date of the grant of the option. Options issued under the Plan may be exercised during a period determined by the Board of Directors which cannot exceed ten years.

The following table reflects the continuity of stock options under the Plan:

| | Number of Stock Options | | Weighted Average Exercise Price | |
|-------------------|----------------------------|------------------|------------------------------------|-------------|
| | 2009 # | 2008 # | 2009 \$ | 2008 \$ |
| Opening balance | 1,400,000 | 450,000 | 0.61 | 0.10 |
| Options granted | - | 1,275,000 | - | 0.66 |
| Options cancelled | - | (325,000) | - | 0.10 |
| | 1,400,000 | 1,400,000 | 0.61 | 0.61 |

The following table reflects the stock options outstanding as at March 31, 2009:

| Expiry Date | Exercise Price \$ | Options Outstanding # |
|---------------|-------------------------|-----------------------------|
| July 19, 2012 | 0.10 | 125,000 |
| May 26, 2013 | 0.67 | 325,000 |
| July 30, 2013 | 0.65 | 950,000 |
| | | 1,400,000 |

The Corporation applies the fair value method of accounting for all stock based compensation awards and accordingly \$17,063 was recorded as compensation for the 62,500 stock options that vested in the current period [2008 - \$336,213 was recorded as compensation for the 1,212,500 stock options that vested]. For purposes of the options vested during the period the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions: no dividends are to be paid, expected volatility of 44%, risk-free interest rate of 3.50%, expected life of 5 years [2008 - no dividends are to be paid, expected volatility of 44%, risk-free interest rate of 3.50%, expected life of 5 years].

Skybridge Development Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the three months ended March 31, 2009
(with comparative figures for the year ended December 31, 2008)
(Stated in Canadian Dollars)

11. CONTRIBUTED SURPLUS

The following table reflects the continuity of contributed surplus:

| | \$ |
|--------------------------------|----------------|
| Balance, December 31, 2008 | 341,908 |
| Stock options vested | 17,063 |
| Balance, March 31, 2009 | 358,971 |

12. LOSS PER SHARE

The basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. Fully diluted loss per share is the same as basic loss per share. The effect of common share purchase options and warrants on the net loss is not reflected as to do so would be anti-dilutive.

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

| | 2009 | 2008 |
|--|------------|-------------|
| <u>Numerator:</u> | | |
| Net loss | (154,380) | (1,107,743) |
| <u>Denominator:</u> | | |
| Weighted average number of common shares | 20,187,637 | 12,196,534 |
| Basic and diluted loss per share | (0.01) | (0.09) |

Skybridge Development Corp.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

For the three months ended March 31, 2009
(with comparative figures for the year ended December 31, 2008)
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13. RELATED PARTIES

The following are the related party transactions, recorded at the exchange amount as agreed to by the parties:

[a] Included in general and administrative expenses are amounts totaling \$6,716 (2008 - \$8,292) for corporate secretarial services provided to the Corporation by companies related to the Corporation through a common officer.

[b] Included in general and administrative expenses are amounts totaling \$90,405 (2008 - \$241,080) for rent, facilities related charges, and accounting and management services provided by a company related to the Corporation through a common officer.

[c] Included in accounts receivable are amounts totaling \$5,000 (2008 - \$5,000) relating to expenses paid on behalf of an officer of the Corporation.

[d] Included in accounts receivable are amounts totaling \$21,182 (2008 - \$12,045) relating to expenses paid on behalf of Source Exploration Corp., a company related to the Corporation through a common officer and director.

[e] Included in prepaids and deposits are amounts totaling \$16,800 (2008 - \$42,000) relating to a wage advance provided to an officer of the Corporation.

14. COMMITMENTS

The Corporation has commitments relating to a contract for rent, facilities related charges, and management and accounting services expiring June 2011 [note 13].

The minimum annual payments for the next three years are as follows:

| | \$ |
|------|----------------|
| 2009 | 271,215 |
| 2010 | 361,620 |
| 2011 | 180,810 |
| | <u>813,645</u> |

Flow-through renunciation

As at December 31, 2008, the Corporation renounced 100% of its flow-through related resource expenditures to investors. The Corporation had until February 1, 2009 to incur the expenditures before monthly interest charges began to accrue on unspent funds. Interest charges incurred by the Corporation as a result of this income tax legislation are charged to income in the period incurred. Of the \$437,500 in flow-through financing raised in 2008 the Corporation has incurred \$245,717 in exploration expenditures. Therefore the Corporation must incur an additional \$191,783 in exploration expenditures to fulfil its obligation by December 31, 2009.

Skybridge Development Corp.

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(Unaudited)

For the three months ended March 31, 2009
(with comparative figures for the year ended December 31, 2008)
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15. MANAGEMENT OF CAPITAL

The Corporation's objective when managing capital is to safeguard the Corporation's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimises the costs of capital at an acceptable risk. In the management of capital, the Corporation includes the components of shareholders' equity, as well as cash and cash equivalents and investments. The Corporation manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Corporation may attempt to issue new shares, acquire or dispose of assets, or adjust the amount of cash and cash equivalents and investments.

16. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Corporation had no held-to-maturity or available for sale instruments and no allowance for credit losses as at March 31, 2009 and December 31, 2008:

| | 2009 | 2008 |
|--|----------------|---------|
| Financial Assets | | |
| <i>Held for trading, measured at fair value</i> | | |
| Cash and cash equivalents | 203,887 | 597,682 |
| Investments | 75,000 | 75,000 |
| | 278,887 | 672,682 |
| <i>Loans and receivables, measured at amortized cost</i> | | |
| Accounts receivable | 249,268 | 254,203 |
| Financial Liabilities | | |
| <i>Other liabilities, measured at amortized cost</i> | | |
| Accounts payable and accrued liabilities | 98,546 | 122,318 |

(a) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Corporation manages its credit risk by holding cash and cash equivalents through large Canadian financial institutions. Investments (including those presented as part of cash and cash equivalents) are comprised of financial instruments guaranteed by the Federal Government of Canada which matured during the period. The Corporation's accounts receivable consist primarily of sales taxes due from the Federal Government of Canada. Financial assets are all current and therefore the maximum credit exposure would be the carrying value of these assets.

Skybridge Development Corp.

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(b) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through the management of its capital structure. Accounts payable and accrued liabilities are due within the current operating period.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Corporation will realize a significant loss as a result of a decline in the fair market value of the investments and other items held within cash and cash equivalents is limited due to the relatively short maturity of the investments. The Corporation manages its interest rate risk by investing in short-term investments and therefore is not exposed to significant fluctuations in interest rates.

(d) Fair Value

Financial instruments consist of cash and cash equivalents, investments, accounts receivable, and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value, unless otherwise noted due to the short terms to maturity.

17. COMPARATIVE AMOUNTS

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year. These reclassifications have no material effect on the financial statements.