

CONSOLIDATED BALANCE SHEETS

As at March 31, 2010 and December 31, 2009

(in thousands of U.S. dollars, unaudited)

	March 31, 2010	December 31, 2009
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 95,277	\$ 30,769
Short-term investments	15,268	44,796
Accounts receivable and other assets	25,189	27,670
Inventories	34,875	30,600
Current assets held for sale	20	-
Total Current Assets	170,629	133,835
Investments at fair value	37,998	34,403
Restricted cash	9,806	9,258
Other long-term assets	2,578	10,118
Property, plant and equipment	353,516	331,198
Assets held for sale	27,854	15,788
Future income tax assets	6,675	818
Total Assets	\$ 609,056	\$ 535,418
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 33,029	\$ 22,426
Deferred revenue	7,845	-
Current portion of long-term debt, reclamation and other long-term liabilities	10,539	8,193
Total Current Liabilities	51,413	30,619
Long-term Liabilities		
Long-term debt	17,909	12,837
Reclamation and other long-term liabilities	49,381	30,930
Long-term compensation	1,665	1,633
Future income tax liabilities	8,067	7,357
Total Long-term Liabilities	77,022	52,757
SHAREHOLDERS' EQUITY		
Share capital	359,128	283,231
Warrants	14,117	14,117
Contributed surplus	10,917	10,624
Retained earnings	51,413	99,667
Accumulated other comprehensive income	45,046	44,403
Total Shareholders' Equity	480,621	452,042
Total Liabilities and Shareholders' Equity	\$ 609,056	\$ 535,418

CONSOLIDATED STATEMENTS OF LOSS

For the three months ended March 31, 2010 and 2009

(in thousands of U.S. dollars, except per share amounts, unaudited)

	Three months ended March 31,	
	2010	2009
Mining operations		
Gold/copper/zinc concentrates net revenue	\$ 20,475	\$ 21,700
Cost of sales	21,906	18,833
Gross profit (loss)	(1,431)	2,867
Investment and other income (expense)		
Interest and other income	311	488
Net impairment provisions	(50,632)	(248)
Net realized loss on sale of investments	-	(38)
Unrealized gain on financial instrument investments	2,952	-
Impaired investments written down to market value	-	(894)
Investment and other expense	(47,369)	(692)
Earnings (loss) before undernoted items	(48,800)	2,175
Expenses		
Administrative and other expenses	2,872	3,235
Stock based compensation expense	175	258
Exploration expense	689	1,263
Amortization of property, plant and equipment	203	443
Financing and other costs	852	263
Foreign exchange loss (gain)	(83)	2,138
Total expenses - net	4,708	7,600
Loss before income taxes	(53,508)	(5,425)
Provision for (recovery of) income taxes		
Current	51	274
Future	(5,305)	(817)
Total recovery of income taxes	(5,254)	(543)
Net loss for the period	\$ (48,254)	\$ (4,882)
Basic net loss per share	\$ (0.48)	\$ (0.05)
Diluted net loss per share	\$ (0.48)	\$ (0.05)

CONSOLIDATED STATEMENTS OF CASH FLOW

For the three months ended March 31, 2010 and 2009

(in thousands of U.S. dollars, unaudited)

	Three months ended March 31,	
	2010	2009
OPERATING ACTIVITIES		
Net loss for the period	\$ (48,254)	\$ (4,882)
Non-cash charges (credits) to earnings:		
Amortization of property, plant and equipment	4,148	3,672
Stock based compensation expense	175	258
Unrealized gain on financial instrument investments	(2,952)	-
Net loss on sale of investments	-	38
Impaired investments written down to market value	-	894
Unrealized loss (gain) on revaluation of debt	678	(130)
Future income tax recovery	(5,305)	(817)
Accretion expense	395	317
Impairment of property, plant and equipment	54,049	248
Other non-cash charges (credits)	(877)	714
Changes in non-cash working capital:		
(Increase) decrease in accounts receivable and other assets	6,041	(2,848)
Increase in inventories	(2,772)	(951)
(Increase) decrease in other receivables and advances	87	(959)
Decrease in accounts payable	(4,093)	(7,712)
Increase in deferred revenue	7,845	1,825
Increase (decrease) in other liabilities	(4,170)	160
Net cash provided by (used in) operating activities	4,995	(10,173)
INVESTING ACTIVITIES		
Purchase of Namibia Custom Smelters (Pty) Ltd. (net of cash acquired of \$1,013)	(16,987)	-
Proceeds on sale of investments at fair value	-	1,873
Proceeds on sale (purchase) of short-term investments	29,528	(4,400)
Loan advances	(3,000)	(3,028)
Acquisition of property, plant and equipment	(10,650)	(6,816)
Proceeds on sale of property, plant and equipment	-	75
Net cash used in investing activities	(1,109)	(12,296)
FINANCING ACTIVITIES		
Issue of common shares, net proceeds of equity financing	61,981	-
Repayment of debt	(563)	(563)
Repayment of leases	(796)	(166)
Net cash provided by (used in) financing activities	60,622	(729)
Increase (decrease) in cash and cash equivalents	64,508	(23,198)
Cash and cash equivalents at beginning of period	30,769	42,169
Change due to translation to U.S. dollars	-	(1,257)
Cash and cash equivalents at end of period	\$ 95,277	\$ 17,714