SARISSA RESOURCES INC.

(An exploration stage company)

Consolidated Financial Statements

For the 6 months ended JUNE 30, 2010
(Expressed in US Dollars)
(Unaudited)

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SARISSA RESOURCES INC.
CONSOLIDATED BALANCE SHEETS
(Expressed in US Dollars)
AS at June 30

	June 30, 2010 (unaudited)	December 31, 2009 (unaudited)	December 31, 2008 (unaudited)
ASSETS			
Current			
Cash	$ 41,416	$ 19,213	$ 7,481
Accounts receivable	4,126	3,260	197
Notes receivable	-	-	60,000
Due from related parties (Note 8(i))	-	8,174	-
	45,542	30,647	67,678
Other Assets			
Mineral property interests (Note 5)	822,233	816,072	569,960
Purchase of subsidiary			1,000
Investment in private company	25,707	25,707	25,707
Capital assets (Note 6)	3,109	4,061	4,192
	$ 896,591	$ 876,487	$ 668,537
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Bank Indebtedness	$ -	$ -	$ -
Accounts payable and accrued liabilities	842,212	757,744	405,842
Deposits for share subscriptions	150,500	-	-
Due to related parties (Note 8(i))	1,551,680	1,298,853	565,759
Note payable (Note 8(i))	6,500	6,500	6,500
	2,550,892	2,063,097	978,101
Long Term Liabilities			
Loan payable – Nemegosenda property (Note 8(ii))	95,735	37,600	247,737
Notes payable (Note 8(iii))	62,500	62,500	62,500
	158,235	100,100	310,237
Shareholders' Equity			
Common stock (Note 7)	76,816	76,816	73,412
Additional Paid in Capital (Note 7)	2,793,257	2,793,257	1,855,329
Foreign currency translation	(106,662)	(68,436)	65,014
Deficit	(4,575,947)	(4,088,347)	(2,613,556)
	(1,812,536)	(1,286,710)	(619,801)
	$ 896,591	$ 876,487	$ 668,537

Nature and continuance of operations (Note 1)

On behalf of the Board:

"Scott Keevil" Director "Cam Cheriton" Director

The accompanying notes are an integral part of these consolidated financial statements.

SARISSA RESOURCES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
(Expressed in US Dollars)
SIX MONTHS ENDED JUNE 30

	JUNE 30,2010		JUNE 30,2009	
	3 Month Period	Year to Date	3 Month Period	Year to Date
OPERATING EXPENSES				
Geological and consulting	$84,568	$310,136	$ 144,179	$306,363
Management fees	48,720	116,400	10,500	10,500
Investor relations	8,434	21,069	9,840	24,677
General and administrative	20,892	36,571	22.148	54,901
Professional fees	4,908	12,177	6,413	8,601
Travel	2,153	3,136	2,132	3,258
LOSS before Undernoted items	169,675	499,489	195,212	408,300
Other items				
Interest and other income	(123)	(11,889)	-	-
NET LOSS FOR THE PERIOD	169,552	487,600	195,212	408,300
DEFICIT, BEGING OF PERIOD	4,406,395	4,088,347	2,826,644	2,613,556
DEFICIT, END OF PERIOD	$4,575,947	$ 4,575,947	$ 3,021,856	$ 3,021,856
Weighted average number of Common shares outstanding	769,122,830	769,122,830	738,186,654	738,186,464
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Loss per share	$0.0182	$0.0506	$0.0035	$0.0061

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The accompanying notes are an integral part of these consolidated financial statements.

SARISSA RESOURCES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in US Dollars)
SIX MONTH PERIOD ENDED JUNE 30

	JUNE 30,2010		JUNE 30,2009	
	3 Month Period	Year to Date	3 Month Period	Year to Date
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss for the period	$ (169,552)	$ (487,600)	$ (195,212)	$ (408,300)
Items not involving cash:				
Amortization	232	460	416	416
Changes in non-cash working capital items:				
(Increase) decrease in receivables	(420)	(866)	(823)	(2,278)
Increase (decrease) in accounts payable and accrued liabilities	(18,805)	84,467	(9,173)	(120,800)
Increase in due to related parties	23,693	252,827	224,635	499,716
Increase in deposits for share subscriptions	91,014	150,500	-	-
Increase (decrease) in advances from related parties	-	8,,174	8,882	(80,059)
Net cash used in operating activities	(73,838)	7,962	28,725	(111,680)
CASH FLOWS FROM INVESTING ACTIVITIES				
(Addition) to mineral property interests	(19,318)	(6,161)	(14,250)	(47,310)
(Addition) to capital assets	495	491	390	(285)
Net cash used in investing activities	(18,823)	(5,670)	(13,860)	(47,595)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase(decrease) in loan payable – long tern	58,135	58,135	-	-
Issuance of common stock	-	-	-	1,251
Increase in paid up capital	-	-	-	235,305
Increase(decrease) in foreign currency translation	54,560	(38,226)	19,773	(44,166)
Net cash provided by financing activities	112,695	19,909	19,773	192,390
Increase in cash for the period	20,034	22,203	34,638	33,115
Cash, beginning of year	21,382	19,213	5,958	7,481
Cash, end of period	$ 41,416	$ 41,416	$ 40,596	$ 40,596

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Sarissa Resources Inc. (the "Company") was incorporated in the State of Delaware on November 8, 2005 as Ecological Recycling Co. Inc. On November 14, 2005, the name was changed to Michigan Mining Investment Inc. On December 5, 2006 the Company changes its name to Sarissa Resources Inc. and changed jurisdiction from the State of Delaware to the State of Nevada.

The Company's principal business activity is the acquisition, exploration and development of mineral property interests in Canada. The Company is considered to be in the exploration stage and substantially all of the Company's efforts are devoted to financing and developing these property interests. There has been no determination whether the Company's interests in unproven mineral properties contain mineral reserves which are economically recoverable.

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America, with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

The Company currently earns no operating revenues. The Company's ability to continue as a going concern is uncertain and is dependent upon the generation of profits from mineral properties, obtaining additional financing or maintaining continued support from its shareholders and creditors. In the event that additional financial support is not received or operating profits are not generated, the carrying values of the Company's assets may be adversely affected. Current market conditions make the present environment for raising additional equity financing less favorable.

2. SIGNIFICANT ACCOUNTING POLICIES

These unaudited consolidated financial statements of the Company have been prepared using accounting policies that are consistent with the policies used in preparing the Company's annual financial statements. These policies are listed below. Generally accepted accounting principles for interim financial statements do not conform in all respects to the disclosures required for annual financial statements, and accordingly, these consolidated financial statements should be read in conjunction with the annual consolidated financial statements.

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its 100% interest in 1208172 Ontario Limited, a Canadian company. All inter-company balances and transactions have been eliminated upon consolidation.

Use of estimates

The preparation of consolidated financial statements in accordance with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the year. Actual results could differ from these estimates. Significant accounts that require estimates relate to the impairment of mineral properties, valuation of agents' warrants and units granted as finder's fees, warrants issued as part of private placements and the valuation taken on future income tax assets, and stock-based compensation.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and cash deposited with financial institutions.

Investment in private company

The investment in private company is recorded at the lower of cost and net realizable value.

Short-term investment

Short term investment consists of an investment in a privately held company and is not traded in active markets. The short term investment is recorded at fair value using a valuation technique based upon management's estimates. The initial cost of the investment is considered to be the fair value on the date of the purchase transaction. Adjustments to fair value are made when there is persuasive and objective evidence of a change in the value of an investment as indicated by an assessment of the financial condition of the company, forecasts and business developments since the investment was made and subsequent transactions with unrelated third parties subsequent to the initial investment.

Stock-based compensation

The Company uses the fair value method whereby the Company recognizes compensation costs for the granting of all stock options and direct awards of stock based on its fair value over the period of vesting. Any consideration paid by the option holders to purchase shares is credited to capital stock. The services are expensed in the periods during which the services are rendered.

Future income taxes

Future income taxes are recorded using the asset and liability method whereby future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment or enactment occurs. To the extent that the Company does not consider it more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

Loss per share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments based on SFAS No. 128.Under this method the dilutive effect on loss per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period.

Basic loss per share is computed by dividing net loss attributed to common shareholders.

Comparative figures

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

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Mineral properties

All costs related to the acquisition of mineral properties are capitalized to the applicable property. If economically recoverable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. When a property is abandoned, all related costs are written off to operations. If, after management review, it is determined that the carrying amount of a mineral property is impaired, that property is written down to its estimated net realizable value. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

The amounts shown for mineral properties do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

Asset retirement obligations

An asset retirement obligation is a legal obligation associated with the retirement of tangible long-lived assets that the Company is required to settle. The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability. The Company currently does not have any asset retirement obligations.

Capital assets

Capital assets are recorded at cost less accumulated amortization.

Foreign currency translation

Financial statements of the Company's foreign subsidiaries are translated into Canadian dollar equivalents using the temporal method whereby all monetary assets and liabilities are translated at the rate of exchange at the balance sheet date. Non-monetary assets and liabilities are translated at exchange rates prevailing at the transaction date. Income and expenses are translated at rates which approximate those in effect on transaction dates. Exchange translation gains and losses arising from translation are included in the consolidated balance sheet.

Flow-through common shares

Resource expenditures for income tax purposes related to exploration activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian income tax legislation. The Company records a future income tax liability and a reduction in capital stock for the estimated tax benefits transferred to shareholders. When the Company renounces flow-through expenditures, a portion of the Company's future income tax assets that were not recognized in previous years, due to the recording of a valuation allowance, will be recognized as a recovery of future income taxes in the statement of operations. Part XII.6 tax is calculated monthly on any unspent balance in the subsequent year beginning with February 1, 2009.

Under the terms of the flow-through share agreements, the Company is require to spend and renounce expenditures for exploration that are qualified CEE (Canadian Exploration Expenditures), as defined by the Income Tax Act (Canada). The Company has made sufficient expenditures to satisfy the agreements.

(Expressed in US Dollars)

5. MINERAL PROPERTY INTERESTS

		June 30, 2010		December 31, 2009
a) Nemegosenda Property, Chewett and Collins Township, Northern Ontario	$	631,033	$	624,872
b) Deadmoose Property, Shillington Township, Northern Ontario		162,200		162,200
c) Shiningtree Property, Northern Ontario		29,000		29,000
d) Timmons Township, Northern Ontario		-		-
e) Pacaud Township, Kirkland Lake, Ontario		-		-
	$	822,233	$	816,072

a) The Nemegosenda Property comprises approximately 9,000 acres consisting of 1,800 patented, and an additional 7,200 contiguous acres staked in Northern Ontario. The patented claims were purchased in December 2007 for $380,000 payable over a four year period and are subject to a 2% NSR. During 2009 the Company paid $250,000 and must pay an additional $130,000 to acquire ownership of these claims. In addition the Company can purchase 1.5% of the NSR at any time subject to a predetermined price.

b) The Company owns a 100% interest in the Deadmoose Property located in Shillington Township, Northern Ontario.

c) The Company staked certain other claims in the Shiningtree Property during the fourth quarter of 2009.

d) In November 2007, the Company acquired 1,150 acres in Timmons Township, Northern Ontario. The property was abandoned in 2009.

e) In November 2007, the Company acquired 40 acres in Pacaud Township, Kirkland Lake, Ontario. The property was abandoned in 2009.

Title to mineral property interests

Although the Company has taken steps to verify the title to mineral properties 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 unregistered prior agreements or transfers and title may be affected by undetected defects.

6. CAPITAL ASSETS

		June 30, 2010		December 31, 2009 (Restated)
Automobiles	$	4,750	$	4,750
Less: accumulated amortization		(950)		(689)
	$	3,109	$	4,061

(Expressed in US Dollars)

7. CAPITAL STOCK AND CONTRIBUTED SURPLUS

	Number of Shares	Common Stock Value $.0001	Additional Paid in Capital
Authorized			
Unlimited common shares, at issue price			
Issued			
Balance, December 31, 2007	725,866,058	$ 72,587	$ 875,287
Issued for cash	6,250,000	625	124,375
Issued for services	2,000,000	200	-
Stock based compensation	-	-	855,667
Balance, December 31, 2008	734,116,058	73,412	1,855,329
Issued for cash	1,099,134	110	22,890
Issued for debt	22,429,078	2,143	475,857
Issued for options	3,959,136	400	103,600
Issued for property	750,000	75	28,925
Stock based compensation	-	-	181,832
Issued for services	4,894,424	489	87,511
Issued for warrants	1,875,000	187	37,313
Balance, December 31, 2009	769,122,830	$ 76,816	$ 2,793,257

Stock options

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option equals the market price of the Company's stock, less an applicable discount, as calculated on the date of the grant. The options can be granted for a maximum term of five years and vest at the discretion of the board.

As at June 30, 2010 the Company had 48,918,864 options outstanding as follows:

- 47,918,864 at a price per share of $0.02 per share expiring February 11, 2011
- 750,000 at a price per share of $0.02 per share expiring February 11, 2011; and
- 250,000 at a price per share of $0.03 per share expiring February 11, 2011.

8. RELATED PARTY TRANSACTIONS

The amounts due for Advances from Related Parties, Loan Payable and Note Payable are payable to either shareholders of privately owned companies that are controlled by shareholders, who may be officers and/or directors of the Company. The amounts payable are non-interest bearing and without fixed terms of repayment.

(i)At June 30, 2010, 2009 the balance due from related parties was nil (2009-$8,174); Due to related parties was $1,551,680 (2009-$1,298,853) and Note Payable was $6,500 (2009- $6,500).

(ii)The Loan Payable – Nemogosenda Purchase" is current and the balance outstanding at June 30, 2010, is $95,735 (2009-$37,600).

iii) In 2008 the Company issued subordinated notes for $(US) 62,500 to certain shareholders. The note holders was to receive a total of 3,125,000 restricted shares and a warrant to purchase a further 3,125,000 restricted shares at (US) $0.02 for a two year period from the date of the notes. 1,875,000 were exercised during the year leaving a balance of 625,000 warrants outstanding.

iv) Included in accounts payable and accrued liabilities is $171,185 (2009 – $138,820) due to the president of the Company. In addition $8,500 (2008 – nil) was paid to a Company controlled by the president of the Company.

v) Management fees of $58,200 (2009-nil) were paid or accrued to the President of the Company.

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These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.