



*Consolidated Financial Statements of
Cornerstone Capital Resources Inc.*

*For the three months and six months ended
June 30, 2009 and 2008*



NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim financial statements of Cornerstone Capital Resources Inc. for the three months and six months ended June 30, 2009 have been prepared by and are the responsibility of the Company's management.

The Company's independent auditors have not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered accountants for a review of interim financial statements by an entity's auditor.

CORNERSTONE CAPITAL RESOURCES INC.

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CORNERSTONE CAPITAL RESOURCES INC.
Consolidated Statements of Loss and Deficit
(Unaudited)

	For the three months ended June 30, 2009	For the three months ended June 30, 2008	For the six months ended June 30, 2009	For the six months ended June 30, 2008
	\$	\$	\$	\$
REVENUE				
Investment income	3,573	27,664	13,512	60,239
Option payments forfeited by joint venture partners	-	-	-	32,165
Other income	827	14,767	2,953	31,684
Gain on sale of marketable securities	16,860	-	16,860	-
Gain on sale of mineral property (Note 6)	281,315	-	281,315	-
	302,575	42,431	314,640	124,088
EXPENSES				
General and administrative	356,828	674,940	723,771	1,297,017
Stock-based compensation	28,049	124,541	57,243	222,186
Amortization	26,760	39,727	53,520	72,632
Foreign exchange loss (gain)	(6,459)	4,698	(15,126)	(14,033)
Unrealized loss (gain) on value of marketable securities	(38,730)	-	(38,730)	-
Unrealized loss on value of share purchase warrants	-	1,556	-	31,830
Mineral property costs abandoned	71,521	-	71,521	13,274
Interest and bank charges	1,389	1,600	2,739	3,080
	439,358	847,062	854,938	1,625,986
NET LOSS FOR THE PERIOD	(136,783)	(804,631)	(540,298)	(1,501,898)
DEFICIT, BEGINNING OF PERIOD	(22,119,784)	(13,119,465)	(21,716,269)	(12,422,198)
DEFICIT, END OF PERIOD	(22,256,567)	(13,924,096)	(22,256,567)	(13,924,096)
LOSS PER SHARE - BASIC AND DILUTED	(0.002)	(0.01)	(0.007)	(0.02)
WEIGHTED-AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC AND DILUTED				
	74,947,178	62,455,063	74,922,592	60,221,047

See accompanying notes to the consolidated financial statements

CORNERSTONE CAPITAL RESOURCES INC.

Consolidated Balance Sheets

(Unaudited)

	As at June 30, 2009	As at December 31, 2008
	\$	\$
ASSETS		
CURRENT		
Cash and cash equivalents	1,330,968	1,867,575
Marketable securities	82,235	68,575
Accounts receivable	104,206	711,208
Refundable staking deposits	51,045	212,995
Prepaid expenses	63,356	70,407
	1,631,810	2,930,760
MINERAL PROPERTIES (Note 6)	5,030,750	5,287,284
CAPITAL ASSETS	367,074	420,067
	7,029,634	8,638,111
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	388,119	895,917
DEFERRED OPTION PAYMENTS (Note 7)	38,500	644,370
	426,619	1,540,287
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	21,843,425	21,855,179
Warrants (Note 8)	2,440,876	2,440,876
Contributed surplus (Note 8)	4,575,281	4,518,038
Deficit	(22,256,567)	(21,716,269)
Accumulated other comprehensive loss	-	-
	6,603,015	7,097,824
	7,029,634	8,638,111

BASIS OF PRESENTATION (Note 1)

APPROVED BY THE BOARD OF DIRECTORS:

_____"Glen H. McKay"_____
Director

_____"John Fleming"_____
Director

See accompanying notes to the consolidated financial statements

CORNERSTONE CAPITAL RESOURCES INC.
Consolidated Statements of Cash Flows
(Unaudited)

	For the three months ended June 30, 2009	For the three months ended June 30, 2008	For the six months ended June 30, 2009	For the six months ended June 30, 2008
	\$	\$	\$	\$
OPERATING ACTIVITIES				
Net loss	(136,783)	(804,631)	(540,298)	(1,501,898)
Items not affecting cash:				
Option payments forfeited by joint venture partners	-	-	-	(32,165)
Amortization	26,760	39,727	53,520	72,632
Mineral property costs abandoned	71,521	-	71,521	13,274
Gain on sale of mineral property	(281,315)	-	(281,315)	-
Gain on sale of marketable securities	(16,860)	-	(16,860)	-
Unrealized loss on value of share purchase warrants	-	1,556	-	31,830
Unrealized (gain) loss on value of marketable securities	(38,730)	-	(38,730)	-
Stock-based compensation	28,049	124,541	57,243	222,186
Changes in non-cash operating working capital	413,609	(81,155)	268,204	(156,301)
	66,251	(719,962)	(426,715)	(1,350,442)
INVESTING ACTIVITIES				
Proceeds from sale of mineral property	560,648	-	560,648	-
Proceeds from sale of marketable securities	47,430	-	47,430	-
Mineral properties expenditures - net	(444,685)	(809,138)	(702,689)	(1,827,271)
Purchase of capital assets	(527)	(41,642)	(527)	(80,412)
Deferred option payments	-	-	-	50,000
	162,866	(850,780)	(95,138)	(1,857,683)
FINANCING ACTIVITIES				
Proceeds from issuance of share capital - net	(8,186)	1,738,161	(14,754)	2,393,953
Proceeds from issuance of warrants - net	-	1,178,375	-	1,503,676
	(8,186)	2,916,536	(14,754)	3,897,629
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	220,931	1,345,794	(536,607)	689,504
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	1,110,037	3,065,512	1,867,575	3,721,802
CASH AND CASH EQUIVALENTS, END OF PERIOD	1,330,968	4,411,306	1,330,968	4,411,306
COMPRISED OF : Bank deposits and cash on hand	1,330,968	750,525	1,330,968	750,525
Bank guaranteed investment certificates	-	3,660,781	-	3,660,781
	1,330,968	4,411,306	1,330,968	4,411,306

SUPPLEMENTAL CASH FLOW INFORMATION (NOTE 10)

See accompanying notes to the consolidated financial statements

CORNERSTONE CAPITAL RESOURCES INC.
Consolidated Statements of Comprehensive Loss
(Unaudited)

	For the three months ended June 30, 2009	For the three months ended June 30, 2008	For the six months ended June 30, 2009	For the six months ended June 30, 2008
	\$	\$	\$	\$
NET LOSS	(136,783)	(804,631)	(540,298)	(1,501,898)
OTHER COMPREHENSIVE LOSS				
Unrealized loss on value of marketable securities (net of tax of nil)	-	(14,742)	-	(101,748)
COMPREHENSIVE LOSS	(136,783)	(819,373)	(540,298)	(1,603,646)

CORNERSTONE CAPITAL RESOURCES INC.
Consolidated Statements of Accumulated Other Comprehensive Loss
(Unaudited)

	As at June 30, 2009	As at December 31, 2008
	\$	\$
ACCUMULATED OTHER COMPREHENSIVE LOSS, BEGINNING OF PERIOD	-	(614,346)
OTHER COMPREHENSIVE INCOME (LOSS)	-	614,346
ACCUMULATED OTHER COMPREHENSIVE LOSS, END OF PERIOD	-	-

See accompanying notes to the consolidated financial statements

CORNERSTONE CAPITAL RESOURCES INC.
Notes to the Consolidated Financial Statements
For the three months and six months ended June 30, 2009 and 2008
(Unaudited)

1. BASIS OF PRESENTATION

The interim consolidated financial statements (the “financial statements”) of Cornerstone Capital Resources Inc. (the “Company”) have been prepared in accordance with the accounting principles and methods of application disclosed in the consolidated financial statements for the year ended December 31, 2008.

These financial statements include all adjustments that are, in the opinion of management, necessary for a fair presentation. These financial statements do not include all disclosures required by Canadian generally accepted accounting principles for annual financial statements, and accordingly the financial statements should be read in conjunction with the Company’s consolidated financial statements and notes thereto for the year ended December 31, 2008.

While these financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business, several adverse conditions cast substantial doubt on the validity of this assumption. The Company does not have any proven economically recoverable reserves, has continuous losses, and at June 30, 2009, the Company had an accumulated deficit of \$22,256,567 (December 31, 2008 - \$21,716,269). The success of the Company and the recoverability of exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain financing to find and complete the development of such reserves, the ability of the Company to satisfy obligations as they come due and upon future profitable production from the properties or proceeds from disposition. The current economic environment has made it more challenging for the mineral exploration industry, including the Company, with reduced commodity prices and the reduction in available capital from investors. The Company however, believes it has properties which will continue to attract equity investors and believes it will survive the current economic challenges. The amounts shown as deferred exploration costs represent net costs to date less write offs and do not necessarily represent present or future values.

Although the Company has taken steps to verify 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 may be affected by undetected defects.

If the going concern assumption was not appropriate for these financial statements, adjustments would be necessary to the carrying value of assets and liabilities, the reported net loss and the balance sheet classifications used.

2. CHANGE IN ACCOUNTING POLICY

Effective January 1, 2008, the Company adopted applicable accounting standard changes issued by the Canadian Institute of Chartered Accountants (“CICA”) as follows: amendments to Handbook Section 1400, General Standards of Financial Statement Presentation, (“Section 1400”), as well as new presentation and disclosure standards for: Capital Disclosures (“Section 1535”), Financial Instruments – Disclosures (“Section 3862”), and Financial Instruments – Presentation (“Section 3863”).

CORNERSTONE CAPITAL RESOURCES INC.
Notes to the Consolidated Financial Statements
For the three months and six months ended June 30, 2009 and 2008
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2. CHANGE IN ACCOUNTING POLICY (Continued)

General Standards of Financial Statement Presentation

The Company has adopted amendments to Handbook Section 1400, General Standards of Financial Statement Presentation, which include requirements to assess and disclose an entity's ability to continue as a going concern. The requirements are effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008. The Company monitors its ability to continue operating on an ongoing basis. The adoption of the changes to Section 1400 has no impact on the Company's financial statements.

Capital Disclosures

Handbook Section 1535, Capital Disclosures, establishes disclosure requirements regarding an entity's capital, including (i) an entity's objectives, policies and processes of managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any externally imposed capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. The adoption of this standard had no effect on the Company's financial position, operations or cash flows. The Company has included disclosures recommended by the new Handbook Section in Note 4 to these unaudited interim consolidated financial statements.

Financial Instruments

Effective January 1, 2008, the Company adopted the new recommendations of CICA Handbook Section 3862, Financial Instruments – Disclosures and Handbook Section 3863, Financial Instruments – Presentation. Handbook Section 3862 requires entities to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments on the entity's financial position and its performance and the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and how the entity manages those risks. Handbook Section 3863 establishes standards for presentation of financial instruments and non-financial derivatives. It deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equities, the classification of related interest, dividends, losses and gains, and circumstances in which financial assets and financial liabilities are offset. The adoption of these standards did not have any impact on the classification and valuation of the Company's financial instruments. The Company has included disclosures recommended by these new Handbook Sections in Note 5 to these unaudited interim consolidated financial statements.

3. BASIS OF CONSOLIDATION

These consolidated financial statements reflect the financial position, results of operations and cash flows of the Company and its wholly owned subsidiaries, Cornerstone Resources Inc., Cornerstone International Inc., Cornerstone Ecuador S.A. and La Plata Minerales S.A. All inter-company transactions and balances have been eliminated upon consolidation.

CORNERSTONE CAPITAL RESOURCES INC.
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(Unaudited)

4. CAPITAL MANAGEMENT

The capital structure of the Company consists of capital and equity comprised of share capital, warrants, contributed surplus and deficit. 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 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.

The properties in which the Company has an interest are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. In addition, the Company holds shares in several companies, which will also assist the Company to carry out exploration programs and fund administrative costs. 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. The Company is not subject to externally imposed capital requirements.

5. FINANCIAL RISK FACTORS

The Company has exposure to credit risk, liquidity risk and market risk. The Company's Board of Directors has the overall responsibility for the oversight of these risks and reviews the Company's policies on an ongoing basis to ensure that these risks are appropriately managed, which are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to accounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in the accounts receivable is remote.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. As at June 30, 2009, the Company had a cash balance of \$1,330,968 (December 31, 2008 - \$ 1,867,575) to settle current liabilities of \$388,119 (December 31, 2008 - \$895,917). To the extent that the Company does not believe it has sufficient liquidity to meet its current obligations, the Board of Directors considers securing additional funds through equity, debt or partnering transactions. All of the Company's financial liabilities are short-term in nature and are subject to normal trade terms. The Company has no source of operating cash flow to fund its exploration and development projects. Any further significant work would likely require additional equity or debt financing. The Company has limited financial resources and there is no assurance that additional funding will be available to allow the Company to fulfill its obligations on existing or future exploration projects. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration.

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5. FINANCIAL RISK FACTORS (Continued)

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and equity prices will affect the Company's income or the value of its financial instruments.

(a) Interest rate risk – The Company has cash balances and no variable interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates or interest bearing deposit accounts with its banking institutions. The Company is satisfied with the credit ratings of its banks. The Company believes that its interest rate risk is not significant.

(b) Price risk – The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company monitors commodity prices of gold, copper and other metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. The Company believes that both commodity and equity price movements can have a substantial effect on the market value of the Company's investments. Such price movements are monitored by the Company.

(c) Foreign exchange risk - The Company transacts certain business in U.S. Dollars, and therefore is subject to foreign exchange risk on U.S. dollar accounts receivables, accounts payable and cash balances. The Company attempts to mitigate these risks by managing its U.S. Dollar inflows and outflows. No hedging instruments have been used by the Company, however, depending upon the nature and level of future foreign exchange transactions, consideration may be given to the use of hedging instruments. The Company believes that it adequately manages its foreign exchange risk, and the risk is minimal.

Sensitivity analysis

The Company has share investments in the following companies: Coastport Capital Inc., Mountain Lake Resources Inc., Thundermin Resources Inc. and Moydow Mines International Inc. All these companies are listed on either the Toronto Stock Exchange or the Toronto Venture Stock Exchange. Share investments are classified by the Company as "held-for-trading" and are measured at fair value. Changes in fair value of share investments are recognized in net loss for the period. Investments in securities having quoted market values and which are publicly traded on a recognized securities exchange and for which no sales restrictions apply, are recorded at values based on the current closing price. Changes in closing prices of these securities have an impact on the Company's income.

The carrying amount of cash, accounts receivables, refundable staking deposits, accounts payable and accrued liabilities approximate fair value due to their short-term nature.

CORNERSTONE CAPITAL RESOURCES INC.
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5. FINANCIAL RISK FACTORS (Continued)

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" during the third quarter of 2009: the Company's investments in publicly traded companies are denominated in Canadian dollars. Based on the movements in these share prices during the second quarter of 2009, a similar movement in the third quarter of 2009 would increase net income by \$31,953.

6. MINERAL PROPERTIES

As at June 30, 2009, the Company has been issued 85 (2008 - 106) licenses by the Government of Newfoundland and Labrador which consist of 6,993 (2008 - 9,424) mineral exploration claims covering various areas of Newfoundland and Labrador. Of these 6,993 mineral exploration claims, 3,986 are held 50% by Altius Resources Inc. The Government of New Brunswick has issued 11 (2008 - 14) licenses to the Company which cover 1,991 (2008 - 2,092) claims in New Brunswick. The Company also holds 17 (2008 - 28) mineral concessions in Ecuador. A summary of mineral properties is as follows:

Geographical Area	Number of Claims	Balance, Beginning of Year	Additions	JV Recoveries and Government Grants	Properties Abandoned or Sold	Balance, End of Period
		\$	\$	\$	\$	\$
Island of Newfoundland	2,224	1,911,603	385,605	(50,000)	(50,702)	2,196,506
Labrador	4,769	327,834	70,764	(66,665)	(20,819)	311,114
New Brunswick	1,991	638,513	25,082	(50,000)	-	613,595
Ecuador	17	2,409,334	455,434	(675,900)	(279,333)	1,909,535
	9,001	5,287,284	936,885	(842,565)	(350,854)	5,030,750

During the second quarter the company sold its interests in the La Plata property to Sultana Del Condor Minera, SA (Sultana), a privately held Ecuadorian mining company, for \$US 500,000. On April 28, 2009, the Company announced it had signed a non-binding letter of intent to sell the property for \$US 675,000 payable in three installments over 18 months, however, during subsequent negotiations, both parties agreed to the new purchase price, to be paid on closing, which also included amounts which the Company owed to Sultana for expenditures and fees incurred to maintain the La Plata property. The sale was recorded as a reduction in mineral properties to bring the recorded value of this property to nil with the excess recorded as a gain on sale of mineral property.

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Notes to the Consolidated Financial Statements
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7. DEFERRED OPTION PAYMENTS

Various option payments have been received by the Company from joint venture partners, in cash or in shares. The deferred option payments balances and the respective properties are as follows:

	June 30, 2009	December 31, 2008
	\$	\$
Ecuador Projects	-	611,370
Bobby's Pond, Newfoundland	38,500	33,000
Balance, end of period	38,500	644,370

8. SHARE CAPITAL

Authorized

An unlimited number of common shares with no par value.

An unlimited number of first preferred and second preferred shares with no par value.

Issued and outstanding

	June 30, 2009		December 31, 2008	
	Number of Shares	\$	Number of Shares	\$
Common shares	74,947,178	21,843,425	74,897,178	21,855,179

CORNERSTONE CAPITAL RESOURCES INC.
Notes to the Consolidated Financial Statements
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8. SHARE CAPITAL (Continued)

Common shares issued during the period were as follows:

	For the three months ended June 30, 2009		For the six months ended June 30, 2009	
	Number of common shares	\$	Number of common shares	\$
Balance, beginning of period	74,947,178	21,851,611	74,897,178	21,855,179
Issued during the period				
Mineral property acquisitions	-	-	50,000	3,000
Share issuance costs	-	(8,186)	-	(14,754)
Balance, end of period	74,947,178	21,843,425	74,947,178	21,843,425

Preferred shares

The first and second preferred shares which have been authorized may be issued in one or more series and the directors are authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions and conditions attached to the shares of each series. No first or second preferred shares have been issued.

Stock options

The Company has a stock option plan under which options to purchase common shares in the Company may be granted to directors, officers, key employees and consultants of the Company. Details of the activity of the stock option plan are as follows:

CORNERSTONE CAPITAL RESOURCES INC.
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8. SHARE CAPITAL (Continued)

Stock options

	For the three months ended June 30, 2009		For the six months ended June 30, 2009	
	Number	Weighted- Average Exercise Price	Number	Weighted- Average Exercise Price
Balance, beginning of period	5,752,252	0.43	5,634,752	0.45
Issued during the period				
To employees, officers and directors	950,000	0.10	1,325,000	0.10
Forfeited or cancelled during the period	(546,500)	0.36	(804,000)	0.36
Balance, end of period	6,155,752	0.43	6,155,752	0.43
Exercisable, end of period	4,781,489	0.45	4,781,489	0.45

The following table summarizes information about stock options outstanding and exercisable at June 30, 2009.

Exercise Price Range \$	Total Options Outstanding			Total Exercisable Options		
	Number of Outstanding Options	Remaining Contractual Life	Weighted Average Strike Price \$	Number of Exercisable Options	Remaining Contractual Life	Weighted Average Strike Price \$
0.00 - 0.19	1,325,000	4.85	0.10	441,659	4.85	0.10
0.20 - 0.39	2,046,085	3.03	0.30	1,555,163	2.75	0.30
0.40 - 0.59	1,393,001	1.89	0.50	1,393,001	1.89	0.50
0.60 - 0.79	1,391,666	2.94	0.66	1,391,666	2.94	0.66
	6,155,752	3.14	0.38	4,781,489	2.75	0.45

CORNERSTONE CAPITAL RESOURCES INC.
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8. SHARE CAPITAL (Continued)

Warrants

Warrants have been issued by the Company in the course of issuing shares. There has been no activity with respect to warrants issued during the period.

	For the three months ended June 30, 2009		
	Number	\$	Weighted- Average Price \$
Balance, beginning of period	23,853,320	2,440,876	0.43
Balance, end of period	23,853,320	2,440,876	0.43

	For the six months ended June 30, 2009		
	Number	\$	Weighted- Average Price \$
Balance, beginning of period	23,853,320	2,440,876	0.43
Balance, end of period	23,853,320	2,440,876	0.43

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8. SHARE CAPITAL (Continued)

Contributed surplus

Contributed surplus consists of the following amounts:

	For the three months ended June 30, 2009	For the six months ended June 30, 2009
	\$	\$
Balance, beginning of period	4,547,232	4,518,038
Fair value of options expensed as stock-based compensation	28,049	57,243
Balance, end of period	4,575,281	4,575,281

9. RELATED PARTY TRANSACTIONS

The following represents a summary of transactions with parties under common influence and shareholders for the three months and six months ended June 30, 2009 and June 30, 2008, and are recorded at the agreed upon amounts:

	Three months ended June 30, 2009			Three months ended June 30, 2008
	Expensed during the period	Capitalized in mineral properties	Total	
	\$	\$	\$	\$
Professional and administrative fees	37,863	-	37,863	67,690
Office and warehouse rent	-	-	-	4,709
	37,863	-	37,863	72,399

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9. RELATED PARTY TRANSACTIONS (Continued)

	<u>Six months ended June 30, 2009</u>			Six months ended June 30, 2008
	<u>Expensed during the period</u>	<u>Capitalized in mineral properties</u>	<u>Total</u>	
	\$	\$	\$	\$
Professional and administrative fees	78,488	400	78,888	154,830
Office and warehouse rent	-	-	-	18,837
	<u>78,488</u>	<u>400</u>	<u>78,888</u>	<u>173,667</u>

10. SUPPLEMENTAL CASH FLOW INFORMATION

	<u>For the three months ended June 30, 2009</u>	For the three months ended June 30, 2008
	\$	\$
Non-cash operating activities		
Receipt of marketable securities in settlement of accounts receivable	<u>(5,500)</u>	-
Non-cash investing activities		
Forfeiture of deferred option payments	-	<u>26,587</u>

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(Unaudited)

10. SUPPLEMENTAL CASH FLOW INFORMATION (Continued)

	For the six months ended June 30, 2009	For the six months ended June 30, 2008
	\$	\$
Non-cash operating activities		
Receipt of marketable securities in settlement of accounts receivable	-	(145,577)
Non-cash investing activities		
Acquisition of mineral properties for share consideration	(3,000)	(267,293)
Forfeiture of deferred option payments	611,370	144,422
	608,370	(122,871)
Non-cash financing activities		
Fair value of options exercised	-	2,010
Receipt of marketable securities as consideration for deferred option payments	5,500	50,646
	5,500	52,656