

**GOLD WHEATON GOLD CORP.
(FORMERLY KADYWOOD CAPITAL CORP.)**

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2008

(Stated in US dollars)

Auditors' report

To the Shareholders of
Gold Wheaton Gold Corp.

We have audited the consolidated balance sheet of Gold Wheaton Gold Corp. as at December 31, 2008 and the consolidated statements of net loss, comprehensive loss, shareholders' equity (deficiency) and cash flows for the fifteen month period 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 audit.

We conducted our audit 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 December 31, 2008 and the results of its operations and its cash flows for the fifteen month period then ended in accordance with Canadian generally accepted accounting principles.

The financial statements as at September 30, 2007, and for the year then ended, were audited by other auditors who expressed an opinion without reservation on those statements in their report dated January 8, 2008.



Chartered Accountants
March 5, 2009

GOLD WHEATON GOLD CORP.

(formerly Kadywood Capital Corp.)

Consolidated Balance Sheets

As at December 31, 2008 and September 30, 2007

In US Dollars

	December 31 2008	September 30 2007
ASSETS		
Current		
Cash	\$ 1,515,103	\$ 424
Short-term investments	5,912,842	-
Accounts receivable	14,498,292	-
Other receivable	180,426	6,130
Prepays, deposits and other	231,191	4,574
	<u>22,337,854</u>	11,128
Mineral interests (net) (Note 4)	443,975,015	-
Future income tax asset (note 9)	2,409,575	-
	<u>\$ 468,722,444</u>	<u>\$ 11,128</u>
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current		
Accounts payable and accrued liabilities	\$ 7,846,964	\$ 258,168
Loans payable (Note 6)	-	88,917
	<u>7,846,964</u>	347,085
Long-term liabilities (Note 3)	38,672,887	-
Due to related parties (Note 7)	-	401,854
	<u>46,519,851</u>	748,939
Shareholders' equity (deficiency)		
Share capital (Note 8)	396,763,255	1,120,498
Share purchase warrants (Note 8)	28,974,819	-
Contributed surplus (Notes 3 and 8)	3,783,813	18,218
Deficit	(7,181,656)	(1,732,930)
Accumulated other comprehensive loss	(137,638)	(143,597)
	<u>422,202,593</u>	<u>(737,811)</u>
	<u>\$ 468,722,444</u>	<u>\$ 11,128</u>

Commitments and contingencies (Note 13)**Subsequent events** (Note 14)**Approved by the Board:***/s/"David Cohen"*

Director - David Cohen

/s/"Nolan Watson"

Director - Nolan Watson

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

GOLD WHEATON GOLD CORP.**(formerly Kadywood Capital Corp.)****Consolidated Statements of Net Loss****For the fifteen months ended December 31, 2008 and twelve months ended September 30, 2007****In US Dollars**

	Fifteen Months Ended December 31, 2008	Twelve Months Ended September 30, 2007
Sales	\$ 15,422,339	\$ -
Cost of sales	7,594,072	-
Depreciation	5,439,639	-
	13,033,711	-
Earnings from mining operations	2,388,628	-
Expenses		
Interest and bank charges	29,452	36,920
Foreign exchange	1,779,485	-
Management fees (Note 7)	18,188	32,575
Office and miscellaneous	156,479	11,922
Professional and consulting fees (Note 7)	1,620,822	9,862
Rent, secretarial services and utilities	2,728	4,886
Stock-based compensation (Note 8)	3,566,563	-
Transfer agent and filing fees	67,468	16,849
Travel and promotion	168,301	4,344
	7,409,486	117,358
Loss before other items	(5,020,858)	(117,358)
Other items		
Interest income	969,413	
Gain on settlement of debts	-	18,455
Loss on Amended Creditor's Proposal (Note 5)	(598,900)	-
Write-off of assets and deferred acquisition costs (Note 14)	(242,497)	(1,878)
Loss before taxes	(4,892,842)	(100,781)
Future income tax expense (Note 9)	(555,884)	-
Net loss	(5,448,726)	(100,781)
Basic and diluted loss per common share	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding	373,089,465	16,806,668

The accompanying notes are integral part of these financial statements.

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Consolidated Statements of Cash Flows
For the fifteen months ended December 31, 2008 and twelve months ended September 30, 2007
In US dollars

	Fifteen Months Ended December 31, 2008	Twelve Months Ended September 30, 2007
Cash Flows From (used in):		
Operating Activities		
Net loss	\$ (5,448,726)	\$ (100,781)
Adjustments for:		
Stock-based compensation	3,566,563	-
Future income tax	555,884	-
Depreciation	5,439,639	-
Foreign exchange	5,364,956	(833)
Other	242,497	1,878
	<u>9,720,813</u>	<u>(99,736)</u>
Changes in non-cash working capital (Note 10)	<u>(7,320,751)</u>	<u>100,068</u>
	<u>2,400,062</u>	<u>332</u>
Investing Activities		
Purchase of short-term investments	(70,595,300)	-
Redemption of short-term investments	50,918,686	-
Deferred acquisition costs	(237,985)	-
Mineral Interests	(224,915,417)	-
	<u>(244,830,016)</u>	<u>-</u>
Financing Activities		
Net proceeds from issuance of equity securities	243,944,633	-
	<u>243,944,633</u>	<u>-</u>
Increase in cash	1,514,679	332
Cash, beginning of year	424	92
Cash, end of year	\$ 1,515,103	\$ 424
Non-cash transactions:		
Common shares issued for purchase of mineral interest	\$ 174,597,500	\$ -
Common shares issued for promissory note amendment	\$ 1,984,750	\$ -
Common shares issued for finders fee	\$ 67,302	\$ -
Common shares issued for settlement of debt	\$ 497,000	\$ -
Supplemental cash flow information (Note 10)		

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Consolidated Shareholders' Equity (Deficiency)
December 31, 2008
In US dollar

	Common Shares	Warrants	Contributed Surplus	Deficit	Accumulated Other Comprehensive Loss	Total
At September 30, 2006	\$ 1,120,498	\$ -	\$ 18,218	\$ (1,632,149)	\$ (62,867)	\$ (556,300)
Other comprehensive loss	-	-	-	-	(80,730)	(80,730)
Net loss	-	-	-	(100,781)	-	(100,781)
At September 30, 2007	1,120,498	-	18,218	(1,732,930)	(143,597)	(737,811)
Private placement - April 21, 2008	1,346,033	144,967	-	-	-	1,491,000
Finder's fee	67,302	7,248	-	-	-	74,550
Settlement of outstanding debt	497,000	-	-	-	-	497,000
Share issuance costs	(69,281)	(7,248)	-	-	-	(76,529)
Warrants exercised	519,945	(23,445)	-	-	-	496,500
Fair value of stock options (Note 8)	-	-	3,566,601	-	-	3,566,601
Options exercised	367,785	-	(98,718)	-	-	269,067
Private placement - July 8, 2008	225,112,213	30,025,787	-	-	-	255,138,000
Share issuance costs	(11,865,100)	(1,582,856)	-	-	-	(13,447,956)
Share issuance costs tax recovery	3,084,610	410,366	-	-	-	3,494,976
Mineral interest acquisition	174,597,500	-	-	-	-	174,597,500
Promissory note amendment (Note 3)	1,984,750	-	297,712	-	-	2,282,462
Other comprehensive income	-	-	-	-	5,959	5,959
Net loss	-	-	-	(5,448,726)	-	(5,448,726)
At December 31, 2008	\$ 396,763,255	\$ 28,974,819	\$ 3,783,813	\$ (7,181,656)	\$ (137,638)	\$ 422,202,593

Consolidated statements of Comprehensive Loss

	Fifteen months ended December 31 2008	Twelve months ended September 30 2007
Net loss	\$ (5,448,726)	\$ (100,781)
Other comprehensive loss		
Foreign currency translation adjustment	5,959	(80,730)
Comprehensive loss	\$ (5,442,767)	\$ (181,511)

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Notes to Consolidated Financial Statements
December 31, 2008
In US dollars

1. DESCRIPTION OF BUSINESS AND NATURE OF OPEATIONS

Gold Wheaton Gold Corp. (“Gold Wheaton” or “the Company”) is a mining company with 100% of its operating revenue from the sale of gold and other precious metals.

The Company has entered into a long-term gold and other precious metal contract with FNX Mining Company Inc. (FNX Operations in Canada) and a long-term gold contract with First Uranium Corporation (Mine Waste Solutions tailings recovery operation in South Africa) (Note 3). The production of gold and other precious metals are impacted by the continued operations of the counterparties. The Company has no control over the mining operations. At any time, any of the operators of the mines may decide to suspend or discontinue operations.

The Company was incorporated on October 20, 1999, under the Company Act of the Province of British Columbia. During fiscal 2002, the Company acquired all the assets, undertakings, goodwill and intellectual property related to the 222 Pizza system franchise and trademark and changed its name from YES Capital Corp. to 222 Pizza Express Corp. On May 1, 2008, the Company changed its name to Kadywood Capital Corp. On July 15, 2008, the Company changed its name to Gold Wheaton Gold Corp. Also, the year end of the Company was changed from September 30 to December 31. The Company is presenting the fifteen months ended December 31, 2008 as results compared to the twelve month period ended September 30, 2007. The current fiscal period ending December 31, 2008 include the results of operations for the fifteen month period then ended.

The Company is actively pursuing further growth opportunities, primarily by way of entering into long-term gold purchase contracts.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of presentation

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“GAAP”) and are stated in United States dollars. At the end of each period presented, the Company did not hold any cash equivalents.

b. Principles of consolidation

The consolidated financial statements include the accounts of the Company and its 100% owned subsidiary Gold Wheaton (Barbados) Corporation. All intercompany transactions have been eliminated on consolidation.

c. Cash and cash equivalents

Cash and cash equivalents include cash, and short term deposits that are readily convertible to cash with an original term to maturity of less than 90 days.

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Notes to Consolidated Financial Statements
December 31, 2008
In US dollars

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Changes in functional and reporting currency

Effective July 1, 2008, the Company determined that the functional currency had changed from the Canadian to the United States dollar. This resulted from a change in the nature of the business as all sales and the majority of expenses occur in United States dollars. Concurrent with this change in functional currency, the Company adopted the United States dollar as its reporting currency. In accordance with Canadian GAAP, the change was effected by translating assets and liabilities, at the end of prior reporting periods, at the existing United States / Canadian dollar foreign exchange spot rate, while earnings, losses and shareholders' equity were translated at historic rates giving rise to an accumulated other comprehensive loss at September 30, 2006 of \$62,867.

e. Foreign currency translation

Foreign currency monetary assets and liabilities are translated into United States dollars at the exchange rates prevailing at the balance sheet date. Non-monetary assets denominated in foreign currencies are translated using the rate of exchange at the transaction date. Foreign currency transactions are translated at the United States dollar rate prevailing on the transaction dates. Foreign exchange gains and losses are included in the determination of earnings.

f. Financial Instruments

The Company classifies all financial instruments as held-to-maturity, available-for-sale, held-for-trading or loans and receivables. Financial assets held to maturity, loans and receivables and financial liabilities, other than those held for trading, are measured at amortized cost. Instruments classified as held-for-trading are measured at fair value with unrealized gains and losses recognized in the Statement of Net Loss.

The Company has classified its financial instruments as follows:

Cash and cash equivalents	Held for trading
Short term investments	Held for trading
Accounts receivables and other receivables	Loans and receivables
Accounts payable and accrued liabilities	Other liabilities
Long-term liabilities	Other liabilities

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g. New accounting policies

Effective October 1, 2007, the Company has adopted the three new accounting standards issued by the Canadian Institute of Chartered Accountants (“CICA”) in 2007. These accounting standards are adopted on a prospective basis with no restatement of prior period financial statements. There was no impact on opening retained earnings. The new standards are as follows:

(i) Capital Disclosures (CICA Handbook Section 1535)

The CICA issued a new accounting standard, Section 1535, Capital Disclosures, which requires the disclosure of both qualitative and quantitative information that provides users of financial statements with information to evaluate the entity’s objectives, policies and processes for managing capital. Refer to note 12 for the disclosure.

(ii) Financial Instruments – Disclosures (CICA Handbook Section 3862)

The objective of Section 3862 is to provide users with information to evaluate the significance of the financial instruments on the entity’s financial position and performance, the nature and extent of risks arising from financial instruments, and how the entity manages those risks. Refer to note 11 for the disclosures.

(iii) Financial Instruments – Presentation (CICA Handbook Section 3863)

The provisions of Section 3863 deal with the classification of financial instruments, related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset.

h. Loss per share

Basic loss per common share is computed using the weighted average number of common shares outstanding during the period. Diluted net income (loss) per common share is computed in accordance with the treasury stock method and the “if converted” method which includes the dilutive effect of potentially issuable common stock from outstanding stock options, warrants and convertible debt. The treasury stock method assumes that proceeds received from in-the-money stock options are used to repurchase common shares at the average market rate during the year. Basic loss per share figures has been calculated using the weighted monthly average number of shares outstanding during the respective years. In addition, the related interest and amortization of deferred financing fees on convertible debt, when dilutive (Net of tax) are added back to income, since these would not be paid or incurred if the convertible debt was converted into common shares. Diluted loss per share figures is equal to those of basic loss per share for each period as the effects stock options, warrants, and convertible debt have been excluded since they are anti-dilutive.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

i. Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses recorded during the reporting periods. Significant estimates and assumptions include, amongst other things, the reserves and resources and the recoverability of mineral interest, the allocation of mineral purchase price between depletable and non-depletable costs, the composition of future income tax assets and tax liabilities, the assumptions used to determine stock based compensation, and precious metal sales receivables. Actual results could differ from these estimates and these differences could have a significant impact on the financial statements.

j. Mineral interest

Contracts for which settlement is called for in gold, palladium or platinum, the amount of which is based on production at the mines, are recorded at cost. The cost of these assets is separately allocated to reserves, resources and exploration potential. The value allocated to reserves is classified as depletable and is depreciated on a unit-of-production basis over the estimated recoverable proven and probable reserves at the mine corresponding to the specific contract. The value associated with resources and exploration potential is the value beyond proven and probable reserves at acquisition and is classified as non-depletable until such time as it is transferred to the depletable category as a result of the conversion of resources or exploration potential into reserves or until such time it is written off.

Evaluations of the carrying values of each contract are undertaken each year to determine if estimated undiscounted future net cash flows are less than the carrying value. Estimated undiscounted future net cash flows are calculated using estimated production, sales prices and purchase costs. If it is determined that the future net cash flows from an operation are less than the carrying value then a write-down is recorded with a charge to operations.

k. Stock-based compensation

The Company has a stock-based compensation plan, whereby stock options are granted to employees and non-employees in accordance with the policies of regulatory authorities. The fair value of all share purchase options granted is expensed over their vesting period with a corresponding increase to contributed surplus or warrant capital. Upon exercise of share purchase options, the consideration paid by the option holder, together with the amount previously recognized in contributed surplus or warrant capital, is recorded as an increase to share capital.

The Company uses the Black-Scholes option valuation model to calculate the fair value of share purchase options at the date of grant. Option pricing models require the input of highly subjective assumptions, including the expected price volatility. Changes in these assumptions can materially affect the fair value estimate and, therefore, the existing models do not necessarily provide a reliable single measure of the fair value of the Company's share purchase options.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

l. Income Taxes

The Company follows the asset and liability method of tax allocation. Under this method, future tax assets and liabilities are determined based on differences between the financial reporting and tax basis of assets and liabilities, and measured using the substantively enacted tax rates and laws that will be in effect when the differences are expected to reverse. In the case of unused tax losses, income tax reductions, and certain items that have a tax basis but cannot be identified with an asset or liability on the balance sheet, the recognition of future income tax assets is determined by reference to whether it is more likely than not that the future income tax reductions will be realized.

m. Revenue recognition

Revenue from the sale of precious metals is recognized in the accounts when persuasive evidence of an arrangement exists, title and risk passes to the buyer, collection is reasonably assured and the price is reasonably determinable. Revenue from the sale of precious metals may be subject to adjustment upon final settlement of estimated precious metal prices, weights, and assays. Adjustments to revenue for precious metal prices are recorded monthly and any other adjustments are recorded on final settlement.

n. Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation. Such reclassification is for presentation purposes only and has no effect on the Company's previously reported results.

o. Future Accounting Pronouncements

Goodwill and Intangible Assets

As of January 1, 2009, the Company will be required to adopt the CICA Handbook Section 3064, "Goodwill and Intangible Assets", which will replace the existing Goodwill and Intangible Assets standard. The new standard revises the requirement for recognition, measurement, presentation and disclosure of intangible assets. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

Business combination, non-controlling interest, and consolidation

In January 2009, the CICA issued Handbook Sections 1582, Business Combinations, ("Section 1582"), 1601, Consolidated Financial Statements, ("Section 1601") and 1602, Non-controlling Interests, ("Section 1602") which replaces CICA Handbook Sections 1581, Business Combinations, and 1600, Consolidated Financial Statements. Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under International Financial Reporting Standards ("IFRS"). Section 1582 is applicable for the Company's business combinations with acquisition dates on or after January 1, 2011. Early adoption of this Section is permitted. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning January 1, 2011. Early adoption of this Section is permitted. If the Company chooses to early adopt any one of these Sections, the other two sections must also be adopted at the same time.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

o. Future Accounting Pronouncements (continued)

Inventories

In June 2007, the CICA issued Section 3031, "Inventories", which replaces Section 3030 and harmonizes the Canadian standard related to inventories with IFRS. This Section provides more extensive guidance in these areas: the determination of cost, including allocation of overhead; narrowing of permitted cost formulas; requirements for impairment testing; and expansion of disclosure requirements to increase transparency. This Section applies to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008, and is not expected to have a material impact on the Company's financial statements.

International Financial Reporting Standards

In February 2008, the CICA Accounting Standards Board ("AcSB") confirmed the changeover to IFRS from Canadian GAAP will be required for publicly accountable enterprises effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company continues to monitor, and assess, the impact of the conversion of Canadian GAAP to IFRS.

3. ACQUISITIONS

FNX

On July 15, 2008, the Company entered into an agreement with FNX Mining Company Inc. ("FNX") to purchase 50% of the contained gold equivalent ounces in ore mined and shipped from the FNX Operations, being: (i) PM and 700 Deposits at the McCreedy West Mine; (ii) the Levack Footwall Deposit, Rob's Zone and 1900 Zone at the Levack Mine; and (iii) the 2000 and North Deposits at the Podolsky Mine (collectively, the "FNX Operations"). Total upfront consideration paid was \$399.1 million (CDN\$400 million). In addition the Company will pay for each gold equivalent ounce delivered, a cash payment of the lesser of \$400 (subject to an inflationary adjustment three years after the anniversary date) or the then prevailing market price per ounce of gold. The \$399.1 million was satisfied by the payment of \$174.6 million in cash, the issue of 350 million common shares valued at \$174.6 million (CDN \$175 million) and \$49.9 million (CDN\$50 million) (the "Note") which will be paid six months following the closing of the FNX gold purchase transaction by the issuance of warrants on the same terms and conditions as the warrants to be issued pursuant to the July 8, 2008 equity financing. As a result of the transaction, the Company and FNX have a common director. The Company incurred \$161,085 of acquisition costs related to the transaction.

On December 8, 2008, the Company restructured the terms of the Note. The due date of the Note has been extended for 18 months until July 16, 2010. The Note may be repaid at either FNX's or the Company's option through the issuance of common shares of the Company determined by dividing CDN\$50 million by the lesser of: (a) \$1.00; and (b) the greater of: (i) the 20-day volume average price of the Company's common shares ending June 30, 2010; and (ii) \$0.20. As consideration for amending the Note, the Company issued 10 million common shares.

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Notes to Consolidated Financial Statements
December 31, 2008
In US dollars

3. ACQUISITIONS (continued)

The carrying value of the Note is as follows:

	CDN	US
Original promissory note	50,000,000	49,885,000
Shares issued for amended note	(2,500,000)	(1,984,750)
Transaction costs	(20,388)	(16,516)
Allocation to contributed surplus	(375,000)	(297,712)
Foreign exchange	-	(8,913,135)
	<u>47,104,612</u>	<u>38,672,887</u>

The Note has an imputed interest rate of 3.88% and the estimated fair value of equity component of the Note was determined using the Black-Scholes Model. The assumptions used in estimating the fair value are summarized as follows:

	December 31, 2008
Risk free interest rate	1.37%
Divident yield	Nil
Expected volatility	63.20%
Expected life	1.5 years

Mine Waste Solutions (“MWS”)

On November 28, 2008, the Company entered into an agreement with Chemwes (Proprietary) Limited, a subsidiary of First Uranium Corporation (“First Uranium”). Gold Wheaton will purchase a minimum of 20,000 ounces of gold in 2009 (up to a maximum of 25 percent of the gold production) and thereafter 25 percent of the life-of-mine gold production from First Uranium’s Mine Waste Solutions tailings recovery operation (“MWS”) in South Africa. Total upfront payment was \$125 million. The upfront payment is to be made in two instalments.

The first payment was \$50 million which entitles the Company to purchase a minimum of 8,000 ounces of gold in 2009 (up to a maximum of 10 percent of the gold production) and thereafter 10% of the life-of-mine gold production from First Uranium’s MWS in South Africa

Due on or before March 17, 2009, subject to financing, the second payment of \$75 million entitles the Company to purchase additional gold production with a minimum of 12,000 ounces of gold in 2009 (up to a maximum of an additional 15 percent of the gold production) and thereafter a 15% of the life-of-mine gold production from First Uranium’s MWS in South Africa

In addition, the Company will pay an ongoing payment equal to the lesser of \$400 per ounce and the prevailing spot price (subject to an annual inflation adjustment starting in 2012).

In the event that the Company does not make the second payment, the Company will refund the 15 percent of the gold production delivered to the Company prior to March 17, 2009.

The Company incurred \$173,570 of acquisition costs related to the transaction.

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Notes to Consolidated Financial Statements
December 31, 2008
In US dollars

4. MINERAL INTERESTS

(in thousands)	December 31, 2008			September 30, 2007		
	Cost	Accumulated Depreciation	Net	Cost	Accumulated Depreciation	Net
FNX	\$ 399,240	\$ 5,389	\$ 393,851	\$ -	\$ -	\$ -
MWS	50,174	50	50,124	-	-	-
	\$ 449,414	\$ 5,439	\$ 443,975	\$ -	\$ -	\$ -

The value allocated to reserves is classified as depletable and is depreciated on a unit-of-production basis over the estimated recoverable proven and probable reserves at the mine. The value associated with resource and exploration potential is the value beyond proven and probable reserves allocated at acquisition and is classified as non-depletable until such time as it is transferred to the depletable category as a result of the conversion of resources or exploration potential into reserves.

(in thousands)	December 31, 2008			September 30, 2007		
	Depletable	Non-Depletable	Total	Depletable	Non-Depletable	Total
FNX	\$ 8,754	\$ 385,097	\$ 393,851	\$ -	\$ -	\$ -
MWS	47,624	2,500	50,124	-	-	-
	\$ 56,378	\$ 387,597	\$ 443,975	\$ -	\$ -	\$ -

5. CREDITOR SETTLEMENT

Effective June 30, 2008, the Company completed the terms of the Amended Proposal of a Creditor Settlement and a Certificate of Full Performance was issued. As a result, the Company settled the amount of CDN\$825,000 and recorded a loss on settlement of debt with creditors in the amount CDN\$600,000 (\$598,900).

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Notes to Consolidated Financial Statements
December 31, 2008
In US dollars

6. LOANS PAYABLE

	December 31 2008	September 30 2007
Loan payable of \$45,234, interest accrued of \$18,652, bearing at an annualized rate of 10%	\$ -	\$ 63,886
Loan payable of \$22,756, interest accrued of \$2,275, bearing at an annualized rate of 10%	-	25,031
	<u>\$ -</u>	<u>\$ 88,917</u>

On April 21, 2008, the Company settled the loans through the issuance of common shares at a price of CDN\$0.05 per share.

7. RELATED PARTY TRANSACTIONS

During the fifteen months ended December 31, 2008, the Company recorded consulting fees of \$359,454 (twelve months ended September 30, 2007 - \$nil) to companies controlled by a director or officer.

In addition, the Company had the following transactions with companies related to a common former director or officer:

	Fifteen Months Ended December 31, 2008	Twelve Months Ended September 30, 2007
Management fees	\$ 18,188	\$ 32,575
Legal and consulting fees	<u>66,992</u>	-
	<u>\$ 85,180</u>	<u>\$ 32,575</u>

In addition, the Company had the following transactions with companies related by a common former director or officer:

- Paid \$674,828 as part of the debt settlement described in Note 5;
- Paid \$105,757 of the due to related parties balance at September 30, 2007; and
- Settled \$248,500 in debt through the issuance of 5 million common shares at a price of CDN\$0.05 per share.

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

As at December 31, 2008, amounts due to related parties of \$nil (September 30, 2007: \$401,854) were due to a former director and a company with a common former director, with interest accruing at an annualized rate of 10%.

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Notes to Consolidated Financial Statements
December 31, 2008
In US dollars

7. RELATED PARTY TRANSACTIONS (continued)

The Company purchased precious metals for total consideration of \$7,504,395 from FNX which owns 38% of the Company's common stock and has one director in common. At December 31, 2008, the Company owes FNX \$7,005,524 which has been recorded in accounts payable and accrued liabilities.

8. SHARE CAPITAL

a) Share capital

Authorized:

- Unlimited common shares without par value.
- Unlimited preferred shares without par value.

b) Issued

Common shares:

	Number of Common Shares
<hr/>	
Balance, September 30, 2006 and 2007	16,806,668
Issued pursuant to April 21, 2008 private placement	30,000,000
Issued shares as a finder's fee	1,500,000
Issued pursuant to settlement of outstanding debt	10,000,000
Issued pursuant to July 8, 2008 private placement	520,000,000
Issued for mineral purchase	350,000,000
Issued pursuant to amended note (Note 3)	10,000,000
Options exercised	820,000
Warrants exercised	5,095,000
<hr/>	
Balance, December 31, 2008	944,221,668
<hr/>	

On April 21, 2008, the Company completed a private placement (the "Unit Offering"). The Unit Offering consisted of 30,000,000 units with each unit comprised of one common share of the Company and one common share purchase warrant (the "Warrants") for CDN\$0.05 each. Each Warrant is exercisable to acquire an additional common share of the Company at a price of CDN\$0.10 per share and will expire on April 21, 2009.

The Company also issued 1,500,000 units as a finders fee (the "Finders Fee units") related to the Unit Offering. Each Finders Fee unit comprised of one common share of the Company and one common share purchase warrant (the "Warrants"). Each Warrant is exercisable to acquire an additional common share of the Company at a price of CDN\$0.10 per share and will expire on April 21, 2009.

On April 21, 2008, the Company settled \$497,000 in outstanding debt (\$248,500 due to a related parties – see Note 7) through the issuance of 10 million common shares at a price of CDN\$0.05 per share.

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Notes to Consolidated Financial Statements
December 31, 2008
In US dollars

8. SHARE CAPITAL (continued)

b) Issued (continued)

On July 8, 2008, the Company completed a private placement (the "Private Placement"). The Private Placement consisted of 520,000,000 units, at a price of CDN\$0.50 per unit. Each unit consists of one common share and one-half warrant. Each warrant is exercisable for one additional common share at a price of CDN\$1.00 per share, for a period of five years.

The Company applied the relative fair value approach which allocates the gross proceeds based on the relative fair value of the common shares and warrants. The estimated fair value of warrants granted was determined using the Black-Scholes Model. The weighted average assumptions used in estimating the fair value are summarized as follows:

	December 31, 2008
Risk free interest rate	3.31%
Divident yield	Nil
Expected volatility	32.48%
Expected warrant life	4.57 years

The estimated fair value per warrant is \$0.10.

c) Share Purchase Warrants

As at December 31, 2008, the following share purchase warrants were outstanding:

	Number of	Weighted Average	
	Warrants	Exercise Price	Expiry date
		(CDN)	
Balance, September 30, 2006 and 2007	-	\$0.00	
Private Placement - April 21, 2008	30,000,000	\$0.10	April 21, 2009
Issued warrants as a finder's fee	1,500,000	\$0.10	April 21, 2009
Private Placement - July 8, 2008	259,999,999	\$1.00	July 8, 2013
Exercised	(5,095,000)	\$0.10	
Balance, December 31, 2008	286,404,999	\$0.92	

d) Stock Options

The Company follows the policies of the TSX-V, under which it is authorized to grant options to acquire up to 10% of the issued and outstanding common stock of the Company (the "Plan"). Under the Plan, the exercise price of each option equals the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of five years.

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Notes to Consolidated Financial Statements
December 31, 2008
In US dollars

8. SHARE CAPITAL (continued)

d) Stock Options (continued)

A summary of the changes in stock options is presented below:

	Number of Options	Weighted Average Exercise Price (CDN)
Balance, September 30, 2006 and 2007	-	\$0.00
Granted	18,550,000	\$0.57
Exercised	(820,000)	\$0.37
Balance, December 31, 2008	17,730,000	0.58

At December 31, 2008, stock options to purchase common shares were exercisable as follows:

Exercise Price (CDN)	Number of Options Outstanding	Exercisable	Contractual Life (Years)
\$0.37	1,055,000	1,055,000	4.33
\$0.59	16,125,000	16,125,000	4.45
\$0.60	550,000	550,000	4.79
	17,730,000	17,730,000	4.45

In April 2008, the Company granted 50,000 and 1,825,000 options at an exercise price of CDN\$0.35 and CDN\$0.37 respectively. These options vested immediately. On June 12, 2008, the Company granted 16,125,000 options (the "Options") at an exercise price of CDN\$0.59. The Options vested upon the completion of the transaction with FNX Mining Company Inc., which was completed on July 15, 2008. On Oct 16, 2008, the Company granted 550,000 options at an exercise price of CDN\$0.60 which vested immediately.

During the fifteen months ended December 31, 2008, the Company recorded stock based compensation expense of \$3,566,563 (Twelve months ended September 30, 2007 - Nil). The weighted average fair value of the stock options granted was \$0.19 per stock option. No stock options were granted during the year ended September 30, 2007. The Company used the Black-Scholes Option Pricing Model to estimate the fair value of the options, using the following weighted average assumptions:

	Fifteen months ended December 31, 2008
Weighted average risk free interest rate	2.81% - 3.34%
Dividend yield	Nil
Expected volatility	32.19% - 37.26%
Weighted average expected option life	5 years

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Notes to Consolidated Financial Statements
December 31, 2008
In US dollars

9. INCOME TAXES

A reconciliation of income taxes for the years ended December 31, 2008 and September 30, 2007 at Canadian statutory rates with the reported income taxes is as follows:

(in thousands)	Fifteen Months Ended December 31, 2008 31.6%	Twelve Months Ended September 30, 2007 34.1%
Loss for the year	\$ (4,893)	\$ (101)
Income tax recovery at statutory rate	\$ (1,547)	\$ (34)
Impact of reduction in tax rates on future income tax	51	
Stock based compensation	1,128	
Loss on Debt settlement	172	(6)
Foreign exchange and other permanent differences	1,061	1
Change in valuation allowance	(309)	39
	\$ 556	\$ -

The significant components of the Company's future income tax assets are as follows:

(in thousands)	Fifteen Months Ended December 31, 2008	Twelve Months Ended September 30, 2007
Future income tax assets/(liabilities)		
Non-capital losses	\$ 1,649	\$ 796
Capital losses	11	16
Mineral interest	(731)	-
Share issue costs	2,194	-
Other temporary differences	(210)	-
	2,913	812
Valuation allowance	(503)	(812)
	\$ 2,410	\$ -

The Company has available for deduction against future taxable income non-capital losses of approximately \$4.4 million. These losses, if not utilized, will expire through 2028.

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Notes to Consolidated Financial Statements
December 31, 2008
In US dollars

10. SUPPLEMENTAL CASH FLOW INFORMATION

a) Changes in non-cash working capital are as follows:

	Fifteen Months Ended December 31, 2008	Twelve Months Ended September 30, 2007
Accounts receivable	\$ (14,498,292)	\$ (1,121)
Other receivable	(174,296)	(10,495)
Prepaid and deposits	(231,191)	-
Accounts payable and accrued liabilities	7,639,001	-
Related party	(60,354)	83,925
Loan payable	4,381	27,759
Change in non-cash working capital	\$ (7,320,751)	\$ 100,068

b) The Company made no cash outlays in respect of interest and taxes.

11. FINANCIAL INSTRUMENTS

Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash, short-term investments, accounts receivable, other receivable, accounts payable and accrued liabilities, loan payable and amounts due to related parties.

Cash and short-term investments are designated as held-for-trading and therefore carried at fair value, with the unrealized gain or loss recorded in interest income.

The fair values of accounts receivable, other receivable, accounts payable and accrued liabilities, loan payable and amounts due to related parties approximate their book values because of the short-term nature of these instruments. The fair value of the promissory note is considered to approximate its carrying value given that the terms of the note were established on December 8, 2008.

Financial Instrument Risk Exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit Risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk includes cash, short-term investments, accounts receivable, and other receivables. The Company reduces its credit risk by maintaining its bank accounts at large international financial institutions. The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Notes to Consolidated Financial Statements
December 31, 2008
In US dollars

11. FINANCIAL INSTRUMENTS (continued)

Credit Risk (continued)

The Company currently sells all of its minerals to two customers. The loss of these customers could have a material adverse effect on the Company's results of operations, financial condition and cash flows. The Company evaluates the credit worthiness of counterparties to the sales arrangement and monitors the customers' liquidity. The Company does not have any receivables that are passed due and regards, the credit risk associated with the trade receivables at December 31, 2008 to be low.

Liquidity Risk

The Company maintains sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash and short-term investments. The Company's cash is invested in business accounts which are available on demand. The Company does not invest in asset backed securities. The Company's short-term investments are available on demand after 30 days without penalty. All financial liabilities are due to be settled within 180 days of the balance sheet date except for the Note which is due on July 16, 2010. The Company has commitments to advance funds under the MWS and Redcorp agreements. The current circumstances and ability to fund these commitments are further explained in Note 14.

Market Risk

i) Currency Risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company receives revenue in US dollars, incurs expenses in US and Canadian dollars and its reporting currency is the US dollar. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar could have a material effect on the Company's results of operations, financial position or cash flows. The Company has not entered into any derivative financial instruments to manage exposures to currency fluctuations.

At December 31, 2008, the Company is exposed to currency risk through the following financial assets and liabilities denominated in Canadian dollars:

	December 31, 2008 (CDN)
Cash	\$ 18,338
Short-term investments	\$ 7,202,000
Deposits	\$ 51,000
Other receivables	\$ 219,763
Future tax asset	\$ 2,935,456
Accounts payable and accrued liabilities	\$ (262,453)
Long-term liabilities (note 3)	\$ (47,479,612)

GOLD WHEATON GOLD CORP.
(formerly Kadywood Capital Corp.)
Notes to Consolidated Financial Statements
December 31, 2008
In US dollars

11. FINANCIAL INSTRUMENTS (continued)

Market Risk (continued)

i) Currency Risk (continued)

Based on the above net exposures at December 31, 2008, a \$0.10 depreciation or appreciation of the Canadian dollar against the US dollar would result in approximately \$1.7 million increase or decrease in the Company's after-tax net earnings.

ii) Interest Rate Risk

The Company's bank account earns interest income at variable rates. The fair value is relatively unaffected by changes in short-term interest rates. The Company's future interest income is exposed to short-term rates.

The Company is not exposed to interest rate fluctuations on its short-term investments or promissory note as these are at a fixed rate of interest of 3.2% and 3.88% respectively. The short-term investments mature on July 19, 2009.

iii) Commodity price risk

The profitability of the Company will be significantly affected by changes in the market price of platinum, palladium and gold. The level of interest rates, the rate of inflation, world supply and demand of precious metals and stability of exchange rates can all cause significant fluctuations in precious metal prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments.

A 10% change in commodity prices would impact the Company's net income as follows:

	Fifteen Months Ended December 31, 2008	Twelve Months Ended September 30, 2007
Gold price	\$ 803,736	\$ -
Platinum price	\$ 322,427	\$ -
Palladium price	\$ 77,410	\$ -

12. CAPITAL DISCLOSURE

The Company's primary source of capital is from the issuance of a promissory note and equity securities. The Company's capital management objective is to obtain sufficient capital to further develop or acquire new gold stream opportunities for the benefit of its stakeholders. To meet these objectives, management monitors the Company's ongoing capital requirements against unrestricted net working capital and assesses additional capital requirements on specific business opportunities on a case by case basis. The Company is not subject to any externally imposed capital requirements.

The capital structure of the Company consists of long-term liabilities and equity attributable to common shareholders, comprising of issued capital, share purchase warrants, contributed surplus, deficit and accumulated other comprehensive loss which totals \$460,875,480 at December 31, 2008.

13. COMMITMENTS AND CONTINGENCIES

In connection with the FNX gold purchase contract (note 3), the Company has committed to purchase 50% of the contained gold equivalent ounces in ore mined and shipped from the FNX Operations. For each gold equivalent ounce delivered, a cash payment of the lesser of \$400 (subject to an inflationary adjustment three years after the anniversary date) or the then prevailing market price per ounce of gold.

In connection with the MWS gold purchase contract (note 3), the Company has committed to purchase 10% of the gold produced from MWS in South Africa. For each gold ounce delivered, a cash payment of the lesser of \$400 per ounce and the prevailing spot price (subject to an annual inflation adjustment starting in 2012). In addition, subject to financing and on or before March 17, 2009, the Company can purchase an additional 15% of the life-of-mine gold production for \$75 million.

The Company has signed a definitive agreement to purchase 100% of the gold mined from Redcorp Ventures Ltd's ("Redcorp") Tulsequah Project, in British Columbia, for a payment of \$90 million, comprised of \$10 million to be paid on the satisfaction of certain funding conditions upon closing and an additional \$80 million to be paid as the funds are required for the construction of the Tulsequah Project on the satisfaction of certain additional funding conditions. In addition, Gold Wheaton will pay the lesser of \$400 per ounce of payable gold delivered and sold to Gold Wheaton, subject to adjustment, and the then prevailing market price per ounce of payable gold delivered and sold to Gold Wheaton (see Note 14).

14. SUBSEQUENT EVENTS

Redcorp.

On February 17, 2009, Redcorp issued a press release in which it announced that construction on the Tulsequah Chief Mine will remain suspended until further notice because of uncertainty related to the costs required to complete the development of the project. Redcorp has not fulfilled the necessary closing conditions before March 1, 2009. Accordingly, the Company believes it is unlikely that the transaction will be completed. The Company has written off \$237,985 of acquisition costs related to the transaction at December 31, 2008.

Public offering

On March 5, 2009, the Company closed a public offering for 400,000,000 units ("Unit") at a price of CDN\$0.25 per Unit to raise gross proceeds of \$77.6 million (CDN\$100 million) pursuant to a short form prospectus. Each Unit will consist of one common share and one half share purchase warrant, with each whole warrant entitling the holder to acquire one additional common share at an exercise price of CDN\$0.50 per share for a period of 2 years following the closing of the offering. In addition the Company has granted the underwriters an over-allotment option to purchase up to that number of additional Units equal to 15% of the Units sold pursuant to the offering, which was exercised at closing for additional gross proceeds of \$11.7 million (CDN\$15 million).

The Company will use the net proceeds from the offering to pay the balance of the purchase consideration payable by the Company in connection with the First Uranium Corp. gold stream purchase transaction and the balance for general working capital purposes.