

COOPER MINERALS INC.
CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

November 30, 2010

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AUDITORS' REPORT

**To the Shareholders of
COOPER MINERALS INC.**

We have audited the Consolidated Balance Sheets of **COOPER MINERALS INC.** as at November 30, 2010 and 2009 and the Consolidated Statements of Comprehensive (Loss), (Deficit), Accumulated Other Comprehensive Income and Cash Flows for the years 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 November 30, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

"Delves Freer Anderson Raniga Caine"

DELVES FREER ANDERSON RANIGA CAINE

Certified General Accountants

Surrey, B. C.

March 30, 2011

**COOPER MINERALS INC.
CONSOLIDATED BALANCE SHEETS**

November 30	2010	2009
ASSETS		
Current		
Cash and cash equivalents	\$ 791,421	\$ 990,335
Accounts receivable (Note 3)	132,575	106,051
Marketable securities (Note 4)	607,423	1,283,245
Prepaid expenses and deposits	112,029	-
Deferred acquisition costs (Note 5)	-	42,938
	1,643,448	2,422,569
Property, plant and equipment (Note 6)	-	4,728
Mineral properties (Note 7)	2,763,760	6,999,424
	\$ 4,407,208	\$ 9,426,721
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Bank indebtedness	\$ 1,737	\$ -
Accounts payable	35,609	60,326
	37,346	60,326
Shareholders' equity		
Share capital (Note 8)	28,764,788	28,764,788
Contributed surplus (Note 8)	2,360,212	2,275,479
(Deficit)	(26,146,805)	(21,741,361)
Accumulated other comprehensive income (loss)	(608,333)	67,489
	4,369,862	9,366,395
	\$ 4,407,208	\$ 9,426,721

NATURE OF BUSINESS AND GOING CONCERN (NOTE 1)
RELATED PARTY TRANSACTIONS (Note 9)
SUBSEQUENT EVENT (NOTE 14)

Approved:

"Simon Tam" Director

"Craig Walker" Director

See accompanying Notes.

COOPER MINERALS INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

Year ended November 30	2010	2009
Administrative and general expenses		
Amortization	\$ 4,064	\$ 5,611
Bank charges and interest	884	1,088
Consulting (Note 9)	85,310	82,000
Marketing and promotion	46,856	45,990
Office and general	3,853	4,114
Professional fees (Note 9)	174,953	113,472
Rent (Note 9)	18,000	18,000
Shareholder relations	2,285	2,426
Stock base compensation	84,733	-
Telephone	1,095	474
Transfer agent and filing fees	23,265	8,076
Travel	67,556	-
(Loss) before other items	(512,854)	(281,251)
Other items		
Interest income	2,708	38,623
Royalty income	300,000	250,000
Write-down of abandoned mineral properties	(4,224,510)	(6,359,986)
Other	29,212	(4,336)
	(3,892,590)	(6,075,699)
(Loss) before income taxes	(4,405,444)	(6,356,950)
Income taxes (Note 13)	-	-
Net (loss)	(4,405,444)	(6,356,950)
Other comprehensive income (loss)		
Unrealized gain on available-for-sale financial assets	(675,822)	117,136
Comprehensive (loss) for the year	\$(5,081,266)	\$(6,239,814)
Basic and diluted (loss) per share	\$(0.10)	\$(0.14)
Weighted average number of shares outstanding	44,019,220	44,019,220

See accompanying Notes.

**COOPER MINERALS INC.
CONSOLIDATED STATEMENTS OF (DEFICIT)**

Year ended November 30	2010	2009
(Deficit), beginning of year	\$(21,741,361)	\$(15,384,411)
Net (loss) for the year	(4,405,444)	(6,356,950)
(Deficit), end of year	\$(26,146,805)	\$(21,741,361)

**COOPER MINERALS INC.
CONSOLIDATED STATEMENTS OF ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)**

Year ended November 30	2010	2009
Accumulated other comprehensive (loss), beginning of year	\$ 67,489	\$(49,647)
Unrealized gain (loss) on available-for-sale financial assets	(675,822)	117,136
Accumulated other comprehensive income (loss), end of year	\$(608,333)	\$ 67,489

See accompanying Notes.

COOPER MINERALS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

Year ended November 30	2010	2009
CASH FLOWS FROM:		
Operating activities		
Cash paid to suppliers	\$(388,142)	\$(293,046)
Interest received	2,537	38,623
Royalties received	275,000	150,000
	(110,605)	(104,423)
Investing activities		
Sale of equipment	3,400	-
Deposits and deferred acquisition costs	(104,600)	(42,938)
Mineral properties	11,154	(1,402,260)
	(90,046)	(1,445,198)
Financing activities		
Bank indebtedness	1,737	-
Marketable securities	-	(1,150,000)
	1,737	(1,150,000)
Change in cash and cash equivalents	(198,914)	(2,699,621)
Cash and cash equivalents, beginning of year	990,335	3,689,956
Cash and cash equivalents, end of year	\$ 791,421	\$ 990,335
Consisting of:		
Cash	\$ -	\$ 138,862
Cash equivalents	791,421	851,473
	\$ 791,421	\$ 990,335
Supplemental cash flow information:		
Interest paid	\$ -	\$ -
Income taxes paid	-	-
	\$ -	\$ -

See accompanying Notes.

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1 Nature of business

Cooper Minerals Inc. (the “Company”) was incorporated under the Business Corporations Act (Yukon) on May 20, 1958. The Company changed its name from JNB Developments Co. Ltd. to Cooper Minerals Inc. on July 14, 2004 as the Company changed its business focus from investment and development of residential real estate properties to acquiring, exploring and developing mineral properties. The Company is a Canadian junior resource company engaged in the acquisition, exploration and development of mineral properties with the potential for mineral commodities. The Company’s common shares are listed on the TSX Venture Exchange and the Frankfurt Stock Exchange. All of the Company’s activities to date have been of an exploratory nature. At November 30, 2010, the Company had interest in mineral properties located in Canada and Mexico.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles (“Canadian GAAP”) on a going concern basis, which assumes that the Company will continue its operations and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company’s ability to continue as a going concern is dependent upon achieving profitable operations and upon obtaining additional financing. The outcome of these matters cannot be predicted at this time. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. As at November 30, 2010, the Company had a working capital of \$1,606,102.

The recoverability of amounts shown as mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete their development, and future profitable production or disposition thereof.

2 Significant accounting policies

Basis of presentation

These consolidated financial statements have been prepared in accordance with Canadian GAAP and include the accounts of the Company and its wholly owned subsidiaries, Cooper Minerals International (Barbados) Corp. (“CMIBC”) and Cooper Minerals Holdings (Barbados) Corp., (“CMHBC”), both incorporated under the laws of Barbados and Namura Finland Oy (“Namura”), incorporated under the laws of Finland. All significant inter-company balances and transactions are eliminated upon consolidation.

Use of estimates and measurement uncertainty

The preparation of the Company’s consolidated financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the amount of revenues and expenses recognized during the reporting period. Significant areas requiring the use of management estimates relate to determination of impairment of mineral properties, useful lives of equipment for amortization, future income taxes and valuation allowances, and the determination of fair value for stock based transactions and financial instruments. Actual results and values could differ from these estimates and the difference could have a material impact on the financial statements.

Cash and cash equivalents

Cash and cash equivalents represent cash on deposit and term deposits having terms to maturity of 180 days or less when acquired.

Property, plant and equipment

Equipment is recorded at cost less amortization less any impairment loss. Amortization of equipment is provided using the straight-line method over five years. In the year of acquisition, only 50% of the amount is used.

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2 Significant accounting policies (continued)

Mineral properties

The Company records its interests in mineral properties at cost. All direct and indirect costs relating to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold or management has determined there to be an impairment. These costs will be amortized on the basis of units produced in relation to the proven reserves available on the related property following commencement of production. Mineral properties which are sold before that property reaches the production stage will have all revenues from the sale of the property credited against the cost of the property.

The recorded cost of mineral property interests is based on cash paid, the value of share consideration and exploration and development costs incurred. The recorded amount may not reflect recoverable value as this will be dependent on the development program, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production or the proceeds from disposal.

Management evaluates each mineral interest on a reporting period basis or as changes in events and circumstances warrant, and makes a determination based on exploration activity and results, estimated future cash flows and availability of funding as to whether costs are capitalized or charged to operations. Mineral property interests, where future cash flows are not reasonably determinable, are evaluated for impairment based on management's intentions and determination of the extent to which future exploration programs are warranted and likely to be funded. The Company defers all exploration costs relating to mineral properties until the properties to which they relate are placed into production, sold, abandoned or management has determined there to be an impairment. These costs will be amortized on the basis of units produced in relation to the estimated reserves available on the related property following commencement of production or written-off to operations in the period related properties are abandoned.

Asset retirement obligation

The Company follows the standard for "Asset Retirement Obligation" as set out in the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3110. The standard requires the recognition of legal obligation associated with the retirement of a tangible long-lived asset, including rights to explore for or exploit natural resources. The initial liability must be measured at fair value and subsequently adjusted for the accretion of discount and changes in the fair value. The asset retirement cost is capitalized as part of property, plant and equipment and depleted into earnings over time.

At November 30, 2010 and 2009, management has determined that there are no material asset retirement obligations to the Company.

Impairment of long lived assets

The Company follows the recommendations of the CICA Handbook Section 3063, "Impairment of Long Lived Assets". Section 3063 establishes standards for recognizing, measuring and disclosing impairment of long-lived assets held for use. The Company conducts its impairment test on long-lived assets when events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment is recognized when the carrying amount of an asset held and used exceeds the undiscounted future net cash flows expected from its use and disposal. If there is an impairment, the impairment amount is measured as the amount by which the carrying amount of the asset exceeds its fair value, calculated using discounted cash flows when quoted market prices are not available.

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2 Significant accounting policies (continued)

Stock-based compensation

The Company accounts for stock-based compensation using the fair value method. The fair value of the options granted are estimated at the date of grant using the Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, expected price volatility and the expected life of the options. The estimated fair value of stock-based compensation is charged to expense over their vesting period, with offsetting amounts recognized as contributed surplus.

Earnings (loss) per share

Basic earnings (loss) per share is computed using the weighted average number of common shares outstanding during the year. Diluted earnings (loss) per share amounts are calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury stock method. The treasury stock method assumes that proceeds received from the exercise of stock options and warrants are used to repurchase common shares at their prevailing market rate.

Foreign currency translation

The Company's subsidiaries are integrated foreign operations and are translated into Canadian dollar equivalent using the temporal method. The monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the balance sheet date and non-monetary assets and liabilities are translated at historical rates. Revenue and expenses are translated at the rates approximating those in effect at the time of the transaction. Exchange gains and losses arising on translation are included in the consolidated statement of operations.

Income taxes

Income taxes are accounted for using the asset and liability method. Under this method, income taxes are recognized for the estimated income taxes payable for the current year, and future income taxes are recognized for temporary differences between the tax and accounting bases of assets and liabilities and for the benefit of losses available to be carried forward for tax purposes that are likely to be realized. Future income tax assets and liabilities are measured using tax rates expected to apply in the years in which the temporary differences are expected to be recovered or settled. The amount of future income tax assets recognized is limited to the amount that, in the opinion of management, is more likely than not to be realized.

Financial instruments

All financial instruments are classified into one of the following five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale assets or other financial liabilities. All financial instruments, including derivatives, are included on the balance sheet and are measured at fair value upon inception with the exception of certain related party transactions. Subsequent measurement and recognition of change in the fair value of financial instruments depends on their initial classification. Held-for-trading financial investments are measured at fair value and all gains and losses are included in operations in the period in which they arise. Available-for-sale financial instruments are measured at fair value with revaluation gains and losses included in other comprehensive income until the asset is removed from the balance sheet. Loans and receivables, held to maturity investments and other financial liabilities are measured at amortized cost using the effective interest method. Gains and losses upon inception, de-recognition, impairment write-downs and foreign exchange translation adjustments are recognized immediately. Transaction costs related to financial instruments will be expensed in the period incurred.

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2 Significant accounting policies (continued)

Financial instruments (continued)

The Company has designated its cash and cash equivalents as held-for-trading, which is measured at fair value. Marketable securities are designated as available for sale and are measured at fair value with changes in fair value recorded in other comprehensive income. Amounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

The Company does not have derivatives or embedded derivatives.

Joint venture accounting

Certain of the Company's mineral property exploration and development activities are conducted with others under joint venture agreement, and accordingly, the accounts reflect only the Company's proportionate interest in such activities.

Share issue costs

Professional, consulting and regulatory fees as well as other costs directly attributable to financing transactions are reported as deferred financing costs until the transactions are completed, if the completion of the transaction is considered to be more likely than not. Share issue costs are charged to share capital when the related shares are issued.

Costs relating to financing transactions that are not completed, or for which successful completion is considered unlikely, are charged to operations.

Comprehensive (loss)

The Company follows CICA Handbook Section 1530, Comprehensive Income. Comprehensive income (loss) is defined as the change in equity from transactions and other events from non-owner sources. Comprehensive loss reflects net loss and other comprehensive income (loss) for the period. Other comprehensive income (loss) refers to items recognized in comprehensive income (loss) that are excluded from net earnings (loss).

New accounting standards adopted

Financial Instruments – Recognition and Measurement

In July 2009, the Accounting Standards Board of Canada ("AcSB") issued amendments to Section 3855. In particular, entities that have classified financial assets as held-to-maturity investments are now required to assess those financial assets using the impairment requirements of Section 3025. The amendments allow more debt instruments to be classified as loans and receivables. In addition, these amendments require reversal of previously recognized impairment losses on available-for-sale financial assets in specified circumstances and require that loans and receivables that an entity intends to sell immediately or in the near term be classified as held for trading. These amendments apply to annual financial statements relating to fiscal years beginning on or after November 1, 2008. There is no material impact on the Company's consolidated financial statements upon adoption of these amendments to Section 3855.

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2 Significant accounting policies (continued)

Financial Instruments - Disclosures

In July 2009, the AcSB published amendments to Section 3862 to require improved and consistent disclosures about fair value measurements of financial instruments and liquidity risk. The additional fair value measurements disclosures include classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements, described as follows:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions; or

Level 3 – Inputs that are not based on observable market data.

The Company has included the required disclosures in Note 10 to the consolidated financial statements.

Future accounting changes

Business Combinations/Consolidated Financial Statements/Non-Controlling Interests

In January 2009, the CICA issued Handbook Sections 1582 “Business Combinations”, 1601 “Consolidated Financial Statements” and 1602 “Non-Controlling Interests” which replace 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. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. These sections are applicable for the Company’s interim and annual consolidated financial statements relating to fiscal years beginning on December 1, 2011. Early adoption of these sections 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. The Company is currently assessing the impact of these standards.

International financial reporting standards (“IFRS”)

In February 2008, the AcSB confirmed that publicly accountable enterprises will be required to adopt IFRS for fiscal years beginning on or after January 1, 2011. Accordingly, the Company will convert to IFRS effective December 1, 2011. The Company is currently working on its conversion plan and is in the process of identifying and analyzing the impacts of differences between Canadian GAAP and IFRS relevant to the Company, and any required changes to the system and business processes. The Company continues to monitor and assess the impact of the convergence of Canadian GAAP and IFRS. The quantitative impact on the consolidated financial statements cannot be reasonably determined at this time.

COOPER MINERALS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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3 Accounts receivable	2010	2009
Interest receivable	\$ 556	\$ 385
Royalties receivable	125,000	100,000
GST/HST receivable	7,019	5,666
	\$ 132,575	\$ 106,051

4 Marketable securities	2010	2009
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Marketable securities consist of shares held in publicly traded companies. Marketable securities are reported at their fair market value:

Agricola Resources Plc. ("Agricola")	\$ 22,423	\$ 15,745
Rochester Resources Ltd. ("Rochester")	585,000	1,267,500
	\$ 607,423	\$ 1,283,245

The Company holds 1,650,000 ordinary shares of Agricola, a company listed on the Plus Stock Exchange in the United Kingdom (the "Plus") and 6,500,000 common shares of Rochester, a company listed on the TSX Venture Exchange in Canada. These shares were acquired pursuant to the terms of certain mineral property agreements. (See note 8(c,e)).

5 Deferred acquisition costs

Costs such as legal, accounting, due diligence, sponsorship and filing fees related to potential business and asset acquisitions are deferred and applied towards the cost of the acquisition when completed. Such costs are expensed if the potential acquisition is no longer considered viable by management.

6 Property, plant and equipment	2009
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During the year ended November 30, 2010, the Company's equipment with a cost of \$10,095 and net book value of \$2,019 were fully amortized and the equipment with a cost of \$17,000 and net book value of \$2,709 were disposed of at \$3,400. As at November 30, 2010, the Company had no equipment.

	Cost	Accumulated Amortization	Net Book Value
Equipment	\$ 27,095	\$ 22,367	\$ 4,728

COOPER MINERALS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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7 Mineral properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge; title to all of its properties is in good standing.

The following tables summarize mineral property costs as at and for the years ended November 30, 2010 and 2009:

	Acquisition Costs	Exploration and Development Expenditures	Disposal and Abandonment	2010 Total
Contact Lake Property (Note 7b)	\$ 1,033,438	\$ 1,222,977	\$(980,718)	\$ 1,275,697
Finland Uranium Property (Note 7d)	2,455,600	788,192	(3,243,792)	-
Mina Real and Santa Fe Property (Note 7e)	1,488,063	-	-	1,488,063
	\$ 4,977,101	\$ 2,011,169	\$(4,224,510)	\$ 2,763,760

	Acquisition Costs	Exploration and Development Expenditures	Disposal and Abandonment	2009 Total
Heron Lake Property (Note 7a)	\$ 247,500	\$ -	\$ 247,500	\$ -
Contact Lake Property (Note 7b)	5,630,732	2,613,474	5,976,637	2,267,569
Paukkajanvaara Uranium Property (Note 7c)	51,467	84,382	135,849	-
Finland Uranium Property (Note 7d)	2,455,600	788,192	-	3,243,792
Mina Real and Santa Fe Property (Note 7e)	1,488,063	-	-	1,488,063
	\$ 9,873,362	\$ 3,486,048	\$ 6,359,986	\$ 6,999,424

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7 Mineral properties (continued)

a) Heron Lake Property, Northwest Territories

By agreement dated September 16, 2005, the Company acquired a 100% interest in the Heron Lake Uranium Property entailing approximately 3,357 acres located 270 kilometres southwest of Yellowknife in the Northwest Territories. The purchase price of \$232,500 was paid by issuance of 1,550,000 common shares of the Company and payment of \$15,000 cash. Included in the purchase price were 150,000 common shares issued for finder's fees.

The Heron Lake Property was abandoned during the year ended November 30, 2009 and all related acquisition and deferred exploration costs of \$247,500 had been written off.

b) Contact Lake Property, Northwest Territories

By agreement dated October 4, 2005, the Company acquired a 100% interest in the Contact Lake Property entailing approximately 74,505 acres located 423 kilometres north of Yellowknife in the Northwest Territories. Upon commencement of commercial production, the optionor will be entitled to a net smelter royalty of 2% on all minerals. The Company can buy down to a 1% net smelter royalty at a cost of \$2,000,000. Included in the purchase price were 208,594 common shares issued for finder's fees.

By agreement dated March 12, 2007, the Company acquired a 100% interest in the Contact Lake Property entailing approximately 98,801 acres located 423 kilometres north of Yellowknife in the Northwest Territories and adjacent to the above claim. Upon commencement of commercial production, the optionor will be entitled to a net smelter royalty of 2.5% on all minerals. The Company can buy down to a 1.5% net smelter royalty at a cost of \$2,000,000. Included in the purchase price were 223,529 common shares issued for finder's fees.

By agreement dated November 12, 2007, the Company acquired a 100% interest in the Contact Lake Property entailing 131 claims and covering approximately 306,027 acres located 423 kilometres north of Yellowknife, Northwest Territories. This property is adjacent to the two properties already held by the Company. Upon commencement of commercial production, the Vendor will be entitled to a net smelter royalty of 2.5% on all minerals. The Company can buy down to a 1.5% net smelter royalty at a cost of \$2,000,000.

During the year ended November 30, 2009, the Company abandoned 176 claims covering an area of 404,828 acres and did not renew the licences for these areas. The acquisition and deferred exploration costs of \$5,976,637 associated with these claims had been written off.

During the year ended November 30, 2010, the Company abandoned 35 claims covering an area of approximately 45,963 acres and wrote off deferred acquisition and exploration costs of \$980,718.

As at November 30, 2010, the Company had 15 claims covering a total of approximately 28,542 acres in the Contact Lake area.

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7 Mineral properties (continued)

c) Paukkajanvaara Uranium Property, Finland

By agreement dated February 14, 2006, the Company entered into an option agreement with Agricola Resources Plc. (“Agricola”) of the United Kingdom to acquire an undivided 50% interest in the Paukkajanvaara Uranium Property located in Paukkajanvaara, Kauhee claim area, Joensuu District, in Eastern Finland. Consideration was a commitment by the Company to spend \$500,000 in exploration expenditures on the property over two years and the Company’s commitment to subscribe to 1,650,000 ordinary shares of Agricola at a subscription price of £0.03 per share. Since the shares of Agricola were trading at £0.0194 at the time of purchase, the excess amount of £0.0106 was allocated to the purchase price of the mineral property.

The Paukkajanvaara Uranium Property was abandoned during the year ended November 30, 2009 and all related acquisition and deferred exploration costs of \$135,849 had been written off.

d) Namura Uranium Property, Finland

By agreement dated July 25, 2006, the Company acquired 100% of the outstanding shares of Namura Finland Ltd. (“Namura”). As consideration, the Company issued 6,000,000 common shares of the Company at \$0.32 per share and paid \$335,000 in cash. The cost of due diligence paid in cash of \$151,118 was also added to the cost of this purchase.

Namura is the beneficial holder of 33 mineral claim reservations (an “MCR”) over 27 known uranium occurrences located in central and southern Finland.

During the year ended November 30, 2010, the Company decided to abandon the property and write off all related acquisition and deferred exploration costs of \$3,243,792. The Company dissolved Namura as of November 18, 2010.

e) Mina Real and Santa Fe Property, Mexico

Pursuant to a Joint Venture Agreement dated November 20, 2008 and an Amendment Agreement dated January 16, 2009 (the “JV Agreement”), the Company entered into a transaction with Rochester Resources Ltd. (“Rochester”) and acquired an undivided 10% equity interest in the capital stock of Mina Real Mexico S.A. de C.V. (“Mina Real”), a private company incorporated in Mexico which is wholly owned by Rochester. Mina Real currently holds certain mining concessions and claims covering 20,662.42 hectares (the “Mina Real Property”) located in Tepic, Mexico. In addition, Mina Real holds a 70% equity interest in Compania Minera Santa Fe S.A. De C.V. (“Santa Fe”) which holds certain mining concessions and claims (the “Santa Fe Property”) located in Tepic, Mexico. Pursuant to the JV Agreement, the Company made a cash payment of \$1,475,000 to Rochester and subscribed for 3,500,000 common shares of Rochester at a price of \$0.15 per share for a cost of \$525,000.

Pursuant to the JV Agreement, the Company will receive a gross overriding advance royalty payment of \$25,000 per month free and clear of any and all costs or expenses of every kind and nature whatsoever, incurred in connection with the operation of the Mina Real Property. The gross overriding advance royalty payment may be credited against the Company’s 10% share of the net profit of the Mina Real Property and Santa Fe Property. However, the payment is not dependent on the profitability of the properties and shall be payable even if the properties do not generate any profit.

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7 Mineral properties (continued)

e) Mina Real and Santa Fe Property, Mexico (continued)

Pursuant to the JV Agreement, Rochester has an option to re-acquire the 10% equity interest in Mina Real from the Company (the "Back-In Option"). The Back-In Option has a term of three years commencing on December 22, 2008 and may be exercised by Rochester as follows:

- (i) If exercised during the second year of the term, by payment of \$2,075,000 cash to the Company; and,
- (ii) If exercised during the third year of the term, by payment of \$2,000,000 in cash to the Company.

The Back-In Option shall not be exercised during the first year of the term.

The Company and Rochester are related by way of common directors.

As at November 30, 2010, Rochester owed the Company \$125,000 in past due royalties.

Under the Joint Venture Agreement, Rochester has an option to re-acquire the 10% interest in Mina Real from the Company (the "Back-In Option"). The Back-In Option has a term of three years commencing on December 22, 2008 and may be exercised by Rochester as follows:

- (i) If exercised during the second year of the term, by payment of \$2,075,000 cash to the Company; and,
- (ii) If exercised during the third year of the term, by payment of \$2,000,000 in cash to the Company.

The Back-In Option shall not be exercised during the first year of the term.

The Company and Rochester are related by way of common directors.

As at November 30, 2010, Rochester owed the Company \$125,000 in past due royalties.

f) Coal Property, Pakistan

On September 3, 2010, the Company announced that it has entered into an option agreement to acquire a 60% interest in certain thermal coal properties located in Pakistan. The properties consist of 2,230 acres of land, and an application for an additional 200 square kilometres, for the exploration and production of coal located within the Navel & Planna Village, and Karjai Villages, Tehsil and District Kotli, Azad Government of the State of Jammu and Kashmir (AJK), Pakistan. Consideration is cash payments totalling US\$500,000, incurring exploration expenditures of US\$2,000,000 on the properties over a three-year period and issuing 4,000,000 common shares of the Company. Pursuant to the option agreement, the Company had paid \$104,600 (US\$100,000). This amount is included in prepaid expenses and deposits as at November 30, 2010 the closing of the option agreement is subject to the TSX Venture Exchange approval.

COOPER MINERALS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

November 30 **2010**

8 Share capital and contributed surplus

a) Authorized:

Unlimited common shares without par value

b) Issued and outstanding:

	Number of Shares	Amount	Contributed Surplus
Balance, November 30, 2008	40,019,220	\$ 26,964,788	2,275,479
Issued for mineral property	4,000,000	1,800,000	-
Balance, November 30, 2009	44,019,220	28,764,788	2,275,479
Stock-based compensation	-	-	84,733
Balance, November 30, 2010	44,019,220	\$ 28,764,788	2,360,212

In September 2010, the Company announced that it had entered into a private placement for the sale of 22,000,000 units at a price of \$0.05 per unit for gross proceeds of \$1,100,000. Each unit will consist of one common share of the Company and one share purchase warrant for the purchase of one further common share of the Company within five years, at the price of \$0.10 per share for the first year, \$0.15 per share for the second year, \$0.20 per share for the third year, and \$0.30 per share for the fourth and fifth years. This transaction is subject to regulatory approval.

c) Warrants

	Number of Warrants	Weighted Average Exercise Price
Balance, November 30, 2008	11,350,000	\$ 0.52
Warrants expired	(11,350,000)	0.52
Balance, November 30, 2009 and 2010	-	-

d) Stock options

The Company has an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the current issued and outstanding common shares. Options granted under the Plan may have a maximum term of five years. The exercise price of options granted under the Plan will not be less than the discounted market price as calculated and defined in accordance with the policies of the TSX Venture Exchange. Stock options granted under the Plan are subject to a four months hold period from the date the options are granted in addition to any other restrictions which may be imposed at the discretion of the board of directors.

COOPER MINERALS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

November 30 **2010**

8 Share capital and contributed surplus (continued)

d) Stock options	Number of Options	Weighted Average Exercise Price	Weighted Average Life Remaining (Years)
Balance, November 30, 2008	3,330,000	\$ 0.30	0.01
Expired	(300,000)	-	-
Balance, November 30, 2009	3,030,000	0.42	1.38
Expired	(1,400,000)	-	-
Granted	2,000,000	0.25	5
Balance, November 30 2010	3,630,000	0.42	3.13

On September 3, 2010, the Company granted 2,000,000 stock options to certain directors, officers and consultants. These options are exercisable at a price of \$0.25 per share starting January 3, 2011. The Company recognized \$84,733 (2009 - \$Nil) of stock-based compensation expense for these options. The fair value of each option granted is estimated on the date of grant using the Black-Scholes option-valuation model with the following assumptions:

	For the year ended November 30, 2010	For the year ended November 30, 2009
Expected dividend yield	0.00%	-
Expected stock price volatility	106%	-
Risk-free interest rate	2.01%	-
Expected life of options	5 years	-

The following summarizes the stock options outstanding at November 30, 2010, of which 1,630,000 options were exercisable:

Exercise Price	Outstanding and Exercisable at November 30, 2010	Expiry Date
\$ 0.53	400,000	March 29, 2011
0.46	530,000	August 2, 2011
0.80	700,000	November 13, 2012
0.25	2,000,000	September 3, 2015
	3,630,000	

November 30

2010

9 Related party transactions

The following is a summary of the related party transactions that occurred during the year ended November 30, 2010:

- a) Accounting fees of \$34,500 (2009 - \$30,000) were incurred for accounting services provided by a company related to a director of the Company.
- b) Consulting fees of \$60,000 (2009 - \$60,000) were paid to a company owned by a director of the Company.
- c) Consulting fees of \$2,000 (2009- \$Nil) were paid to a director of the Company.
- d) Rent of \$18,000 (2009 - \$18,000) was paid to a company related to a director of the Company.
- e) Included in marketing and promotion expense, \$975 (2009- \$Nil) was paid to a director of the Company for website hosting services.

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

10 Financial instruments and risk management

The Company's financial instruments include cash and cash equivalents, accounts receivable, marketable securities, accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair value due to their short-term maturity. The fair value of cash and cash equivalents and marketable securities are measured based on level 1 of the fair value hierarchy.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to receivables. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote because the receivables are from a major bank and government agencies.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at November 30, 2010, the Company had cash and cash equivalents balance of \$791,421 to settle current liabilities of \$37,346. Accordingly, the Company is able to meet its current obligations and has minimal liquidity risk. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

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10 Financial instruments and risk management (continued)

Market risk

Market risk includes currency risk, interest rate risk and price risk. The Company's activities may expose it to the financial risks of changes in the price of resources. As the Company's current activities are exploration in nature, the Company is not exposed to price risk.

Interest rate risk

The Company has cash and cash equivalents balances and no interest-bearing debt. The Company's current policy is to invest excess cash in short-term investments issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Company is subject to foreign currency risk relating to its exploration expenditures denominated in US dollars or other foreign currency. Currently the Company does not manage currency risks through hedging or other currency management tools.

11 Capital Management

The Company's objectives in managing capital are to maintain an optimal capital structure to reduce the overall cost of capital and to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties. In the management of capital, the Company includes cash and cash equivalents, and shareholders' equity. 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 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 mining property interests.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended November 30, 2010. The Company is not subject to externally imposed capital requirements.

12 Segment Information

The Company operates in one business segment, being the acquisition, exploration and development of mineral properties. Geographical information with respect to the Company's assets is as follows:

	November 30 2010	November 30 2009
Canada	\$ 2,919,145	\$ 4,668,192
Finland	-	3,270,466
Mexico	1,488,063	1,488,063
	\$ 4,407,208	\$ 9,426,721

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13 Income taxes	2010	2009
A reconciliation of the income tax provision computed at statutory rates to the reported income tax provision is as follows:		
Net (loss)	\$(4,405,444)	\$(6,356,950)
Expected income tax recovery	\$(1,261,171)	\$(1,871,957)
Non-capital losses	34,461	(14,725)
Non-deductible items	1,234,560	1,923,177
Deductible items	(7,850)	(36,495)
Income taxes	\$ -	\$ -

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

Future income tax assets (liabilities)	2010	2009
Capital loss carry-forwards	\$ 1,004,902	\$ 924,811
Non-capital loss carry-forwards	411,322	549,652
Equipment	-	7,694
Mineral properties and deferred exploration costs	2,478,260	2,600,434
Financing costs	-	1,355
	3,894,484	4,083,946
Valuation allowance	3,894,484	4,083,946
Total future income tax assets	\$ -	\$ -

Future income tax benefits which may arise as a result of these losses have not been recognized in these financial statements as their realization is uncertain.

The Company has approximately \$1,436,805 of non-capital losses available for income tax purposes to reduce taxable income of future years. These non-capital losses will expire commencing in 2010 through to 2030.

The Company has approximately \$7,020,522 of capital losses carried forward for income tax purposes to reduce capital gains of future years. These capital losses can be carried forward indefinitely.

In addition, the Company has available mineral resource related expenditure pools totalling approximately \$8,656,901 which may be deducted against future taxable income on a discretionary basis.

14 Subsequent Event

On March 29, 2011, 400,000 stock options expired.