

Guyana Goldfields Inc.

(An exploration stage entity)

Interim Consolidated Financial Statements

April 30, 2007

Amended and Restated On September 26, 2007

Unaudited - Prepared by Management

Not Reviewed by an Independent Auditor

Guyana Goldfields Inc.

Six Months Ended April 30, 2007

Explanatory Note

These unaudited consolidated financial statements for the six months ended April 30, 2007 have been revised to correct an error in the adjustment on marketable securities and unrealized gain in marketable securities.

The restatements reflect changes to the consolidated statement of operations and deficit and consolidated statement of cash flow for the six month period ended April 30, 2007 and are described in Note 8 to the interim consolidated financial statements titled "Restatement of previously issued financial statements".

Guyana Goldfields Inc.

(An exploration stage entity)

Interim Consolidated Balance Sheets

April 30, 2007 and October 31, 2006

Unaudited

	April 30 2007	October 31 2006
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	34,359,790	25,786,450
Marketable securities (Note 4)	4,594,932	1,853,157
Accounts receivable and prepaid expenses	1,155,256	622,553
	<u>40,109,978</u>	<u>28,262,160</u>
Mineral exploration properties (Note 2)	27,031,314	22,586,788
	<u>67,141,292</u>	<u>50,848,948</u>
Liabilities and Shareholders' Equity		
Liabilities		
Accounts payable and accrued liabilities	2,222,230	2,539,966
Shareholders' Equity		
Share capital (note 3 (b))	62,385,064	45,602,919
Warrants (note 3 (d))	2,947,423	6,293,327
Stock options (note 3 (d))	10,623,338	8,995,058
Deficit	<u>(11,036,763)</u>	<u>(12,582,322)</u>
	<u>64,919,062</u>	<u>48,308,982</u>
	<u>67,141,292</u>	<u>50,848,948</u>

See accompanying notes to interim consolidated financial statements.

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Interim Consolidated Statements of Operations and Deficit

Unaudited

	Three months ended		Six months ended	
	April 30		April 30	
	2007	2006	2007	2006
	\$	\$	\$	\$
Operating expenses				
Management fees	70,530	37,674	423,323	125,174
Professional fees	76,936	117,961	125,115	142,126
Office	102,381	68,770	183,539	121,592
Shareholder information	23,465	40,720	27,420	47,383
Transfer, listing and filing fees	67,009	22,237	89,652	63,872
Stock-based compensation	1,729,367	-	2,143,789	2,020,482
Loss from operations	(2,069,688)	(287,362)	(2,992,838)	(2,520,629)
Other income (expense)				
Interest	382,274	109,111	693,128	160,398
Capital and other taxes	(142,069)	-	(157,069)	-
Option payment	-	-	-	66,563
Change in unrealized gain on marketable securities	(2,485,363)	-	(370,395)	-
Gain on sale of marketable securities	1,921,393	104,909	2,295,465	104,909
	(323,765)	214,020	2,461,129	331,870
Net loss for the period	(2,393,453)	(73,342)	(531,709)	(2,188,759)
Deficit - Beginning of period	(8,643,310)	(10,137,716)	(12,582,322)	(8,022,299)
Fair value adjustment on marketable securities	-	-	2,077,268	-
	(8,643,310)	(10,137,716)	(10,505,054)	(8,022,299)
Deficit- End of period	(11,036,763)	(10,211,058)	(11,036,763)	(10,211,058)
Loss per share				
Basic and diluted	\$ (0.05)	\$ (0.00)	\$ (0.01)	\$ (0.05)
Weighted average number of shares outstanding during the period				
Basic and diluted	49,342,576	40,552,703	49,342,576	40,552,703

See accompanying notes to interim consolidated financial statements.

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Interim Consolidated Statements of Cash Flows

Unaudited

	Three months ended		Six months ended	
	April 30		April 30	
	2007	2006	2007	2006
	\$	\$	\$	\$
Cash provided by (used in):				
Operations:				
Net income for the period	(2,393,453)	(73,342)	(531,709)	(2,188,759)
Items not involving cash				
Reduction in unrealized gain on marketable securities	2,485,363	-	370,395	-
Gain on sale of marketable securities	(1,921,393)	(104,909)	(2,295,465)	(104,909)
Stock-based compensation	1,729,367	-	2,143,789	2,020,482
Change in non-cash working capital (Note 5)	171,806	152,199	(850,439)	154,002
	71,690	(26,052)	(1,163,429)	(119,184)
Financing:				
Proceeds from private placements	-	25,397,591	-	25,397,591
Proceeds from exercise of stock options	417,300	125,600	715,500	879,400
Proceeds from exercise of warrants	-	-	12,205,232	-
Share issue costs	-	(1,218,593)	-	(1,218,593)
	417,300	24,304,598	12,920,732	25,058,398
Investments:				
Net of purchase and sale of short-term investments	1,948,336	295,736	2,160,563	295,736
Expenditure on mineral exploration properties	(2,799,680)	(3,166,235)	(5,344,526)	(4,923,532)
	(851,344)	(2,870,499)	(3,183,963)	(4,627,796)
Increase (decrease) in cash and cash equivalents	(362,354)	21,408,047	8,573,340	20,311,418
Cash and cash equivalents				
- Beginning of period	34,722,144	7,549,217	25,786,450	8,645,846
- End of period	34,359,790	28,957,264	34,359,790	28,957,264

See accompanying notes to interim consolidated financial statements.

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Notes to Interim Consolidated Financial Statements

Unaudited

Six months ended April 30, 2007

1. Basis of presentation

These interim consolidated financial statements include the accounts of the Company and its subsidiary. All significant inter-company balances and transactions have been eliminated. The interim statements should be read in conjunction with the annual audited financial statements for the Company's most recently completed fiscal year ended October 31, 2006, as these interim financial statements do not include all disclosures required for annual financial statements.

The preparation of interim financial statements to conform with generally accepted accounting principles requires management to make estimates that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the interim financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of estimates relate to the determination of impairment of mineral properties, and assumptions used determining stock-based compensation. Actual results could differ from those estimates.

Changes in accounting policies

Effective November 1, 2006, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants (CICA) under CICA Handbook Section 1530, Comprehensive Income, Section 3251, Equity, Section 3855, Financial Instruments - Recognition and Measurement, Section 3861 Financial Instruments - Disclosure and Presentation and Section 3865, Hedges. These new Handbook Sections, which apply to fiscal years beginning on or after October 1, 2006, provide requirements for the recognition and measurement of financial instruments and on the use of hedge accounting. Section 1530 establishes standards for reporting and presenting comprehensive income which is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income but that are excluded from net income calculated in accordance with generally accepted accounting principles.

Under Section 3855, all financial instruments are classified into one of five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments are measured in the balance sheet at fair value except for loans and receivables, held-to-maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification. Held-for-trading financial assets and liabilities are measured at fair value and changes in fair value are recognized in net income. Available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income.

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Notes to Interim Consolidated Financial Statements

Unaudited

Six months ended April 30, 2007

1. Basis of presentation (continued)

Changes in accounting policies (continued)

As a result of the adoption of these new standards, the Company has classified its marketable securities as held-for-trading. Receivables are classified as loans and receivables. Accounts payable and accrued liabilities are classified as other liabilities, which are measured at amortized cost.

As a result of the application of Section 3855, the Company's deficit position as at November 1, 2006 was reduced by \$2,077,268 to reflect the opening fair value of marketable securities.

2. Mineral exploration properties

	Balance October 31, 2006	Expenditures (Recoveries)	Balance April 30, 2007
	\$	\$	\$
Guyana, South America			
Peters Mine Property	3,982,855	(927,482)	3,055,373
Aurora Property	18,603,933	5,372,008	23,975,941
	<u>22,586,788</u>	<u>4,444,526</u>	<u>27,031,314</u>

Peters Mine Property

On November 17, 2006 the Company entered into an option agreement with WSR Gold Inc. ("WSR") (formerly Westchester Resources Inc.) effective as of October 19, 2006, whereby Westchester can earn a 50% interest in the Company's Peters Mine property. Pursuant to the option agreement, in order to earn its 50% interest in the property, WSR is required to issue 5,000,000 common shares to the Company and spend a total of \$5,000,000 in exploration on the property over a three-year period; \$1,000,000 to be spent on or before the first anniversary date of the agreement, \$2,000,000 to be spent on or before the second anniversary date of the agreement and \$2,000,000 on or before the third anniversary date.

As at the date hereof 5,000,000 common shares in the capital of WSR have been issued to the Company pursuant to the WSR agreement. The shares were valued at \$0.18 per share for a total of \$900,000 which was credited as a recovery of costs of the Peters Mine mineral exploration property and recorded as marketable securities.

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Unaudited

Six months ended April 30, 2007

2. Mineral exploration properties (continued)

Coppermine River Property

On May 11, 2006, the Company and Coronation Minerals Inc ("Coronation") entered into an agreement which allows Coronation to acquire the remaining 50% of the Coppermine River Property. Terms of the agreement call for Coronation to issue to the Company 6,000,000 shares of Coronation and the Company will retain a 1.5% net smelter royalty (NSR). Upon completion of the transaction, the Company will hold approximately 28% of the issued shares of Coronation. No shares have been issued to the Company in satisfaction of this agreement at April 30, 2007.

Back-in right agreement with Aranka Gold Inc.

On April 30, 2007, the Company and Aranka Gold Inc. ("Aranka") announced the exercise by the Company of the previously announced back-in agreement executed and delivered in 2005. As announced on October 20, 2005 the terms of the back-in agreement entitle the Company to acquire a 50% interest in all exploration areas held by Aranka by paying 125% of total expenditures on the properties. The exercise of the back-in right has received requisite regulatory approvals. The Company and Aranka are currently negotiating a joint venture agreement.

3. Share capital

(a) Authorized:

Unlimited number of common shares without par value

(b) Issued

	Number of Shares	Share Amount \$
Balance October 31, 2006	48,419,510	45,602,919
Issued on exercise of warrants	2,219,133	12,205,232
Value of warrants exercised	-	3,345,904
Issued on exercise of options	569,000	715,500
Value of options exercised	-	515,509
Balance April 30, 2007	<u>51,207,643</u>	<u>62,385,064</u>

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Six months ended April 30, 2007

3. Share capital (continued)

(c) Warrants

	Number of Warrants	Allocated Value	Average Exercise Price
		\$	\$
Balance October 31, 2006	4,116,636	6,293,327	5.04
Cancelled	(167,503)	-	5.50
Exercised	(2,219,133)	(3,345,904)	5.50
Balance April 30, 2007	1,730,000	2,947,423	4.40

(d) Stock options

Stock option transactions and the number of options outstanding are as follows:

	Number of Options	Allocated Value of Vested Options	Average Exercise Price
		\$	\$
Balance October 31, 2006	4,499,950	8,995,058	3.04
Granted	325,000	1,626,000	11.08
Value of options vested during the period		517,789	
Exercised	(569,000)	(515,509)	1.26
Balance April 30, 2007	4,255,950	10,623,338	3.89

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Six months ended April 30, 2007

3. Share capital (continued)

(d) Stock options (continued)

As at April 30, 2007 the following stock options were outstanding, of which 3,964,700 were exercisable:

Expiry Date	Exercise	
	Price	Shares
	\$	
June 8, 2008	2.50	955,000
September 27, 2009	2.43	474,950
February 1, 2010	2.02	505,000
April 28, 2010	2.00	566,000
November 21, 2010	3.30	500,000
November 29, 2010	3.62	50,000
January 24, 2011	3.70	335,000
May 29, 2011	8.03	200,000
June 19, 2011	7.24	250,000
July 7, 2011	8.36	65,000
October 16, 2011	9.06	30,000
November 14, 2011	11.20	125,000
February 21, 2012	11.00	200,000
		<u>4,255,950</u>

The fair value of each stock option granted is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

	November 14, 2006	February 21, 2007
Number of options	125,000	200,000
Value	\$ 1,007,213	\$ 1,625,221
Expected life	5 years	5 years
Expected volatility	92%	94%
Expected dividend yield	Nil	Nil
Risk free interest rate	4%	4.5%

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Six months ended April 30, 2007

4. Marketable securities

Marketable securities consist of shares in publicly traded companies and are stated at market value at April 30, 2007. At October 31, 2006 the marketable securities were stated at cost. See changes in accounting policies in note 1 above.

	April 30, 2007	October 31, 2006
Market value	\$ 4,594,932	\$ 3,930,425
Cost	\$ 2,888,094	\$ 1,853,157

5. Related party transactions

Accounts payable and accrued liabilities includes \$125,737 due to the Chief Executive Officer and Chief Financial Officer. The balances are non-interest bearing and are payable on demand.

During the period fees of \$423,323 were paid to the President and Chief Financial Officer. These expenditures have been allocated as follows:

Management fees	\$327,323
Mineral exploration properties	\$96,000

During the period fees of \$24,659 were paid to a Director. These expenditures have been allocated to mineral exploration projects.

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Six months ended April 30, 2007

6. Supplemental cash flow information

Change in non-cash working capital comprised of:

	Three months ended April 30,		Six months ended April 30,	
	2007	2006	2007	2006
	\$	\$	\$	\$
Accounts receivable and prepaid expenses	(305,255)	(61,868)	(532,703)	(178,858)
Advances to Coronation Minerals Inc.	-	-	-	(100,000)
Accounts payable and accrued liabilities	477,061	214,067	(317,736)	432,860
	171,806	152,199	(850,439)	154,002

8. Restatement of previously issued financial statements

The Company's interim consolidated statements of operations and deficit for the six month period ended April 30, 2007 recorded a fair value adjustment on marketable securities to the deficit at the beginning of the period November 1, 2006 of \$1,348,430 due to the adoption of CICA Hand book section 3855, Financial Instruments - Recognition and Measurement.

The fair value adjustment on marketable securities in the above-noted financial statements was calculated based on the market value of the securities as at October 31, 2005 of \$3,201,587. The fair value adjustment on marketable securities in the above-noted financial statements should have been based on the market value of the securities at October 31, 2006 of \$3,930,425.

The interim consolidated statements of operations and deficit for the six months ended April 30, 2007 recorded a fair value adjustment on marketable securities of \$1,348,430 based on the market value of the securities as at October 31, 2005. These financial statements should have reflected a fair value adjustment on marketable securities of \$2,077,268 and the change in unrealized gain in marketable securities (which was a gain of \$358,443) should have been a reduction of \$370,395 based on the market value of the securities at October 31, 2006.

The impact of each of the above-noted matters is that the unrealized income for the six months ended April 30, 2007 was overstated by \$728,838 and the deficit at November 1, 2006 was understated by \$728,838. While these adjustments affect the Company's profitability, they do not affect the Company's cash position or the value of the Company's mineral property assets.