(An exploration stage company)

Unaudited Interim Consolidated Financial Statements

For the Three Months Ended March 31, 2009

These unaudited interim consolidated financial statements of Forsys Metals Corp. for the three months ended March 31, 2009 have been prepared by management and approved by the Board of Directors of the Company. These unaudited interim consolidated financial statements have not been reviewed by the Company's external auditors.

Forsys Metals Corp.

(An exploration stage company)

Consolidated Balance Sheets

(Unaudited and expressed in Canadian dollars)

	As at March 31, 2009	As at December 31, 2008
Assets		
Current Assets		
Cash and cash equivalents	**$ 38,152,401**	$ 12,835,801
Short - term deposit	**-**	21,457,526
Amounts receivable	**243,307**	804,460
Prepaid expenses	**32,496**	42,807
	38,428,204	35,140,594
Mineral Properties and Deferred Exploration Expenditures *(Note 3)*	**75,600,435**	74,234,918
Capital Assets *(Note 4)*	**7,291,471**	5,284,879
	$ 121,320,110	$ 114,660,391
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	**$ 2,624,337**	$ 683,600
Future Income Tax Liability	**19,690,058**	19,736,617
	22,314,395	20,420,217
Shareholders' Equity		
Share Capital *(Note 5)*	**134,241,615**	125,363,414
Contributed Surplus *(Note 6)*	**37,779,898**	40,673,726
Deficit	**(73,015,798)**	(71,796,966)
	99,005,715	94,240,174
	$ 121,320,110	$ 114,660,391

Commitments and contingencies *(Note 7)*

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

Forsys Metals Corp.

(An exploration stage company)

Consolidated Statements of Operations, Comprehensive Loss and Deficit

(Unaudited and expressed in Canadian dollars, except loss per share)

	Three Months Ended March 31, 2009	Three Months Ended April 30, 2008 Note 1
Other Income		
Interest income	**$ 105,038**	$ 553,517
Expenses		
Stock option compensation	**74,556**	1,540,537
Consulting fees and salaries	**450,585**	605,392
General and administrative	**812,199**	416,101
Amortization	**38,897**	111,430
Gain on sale of plant and equipment	**(5,808)**	-
	1,370,429	2,673,459
Loss before income taxes	**(1,265,391)**	(2,119,942)
Income tax expense – future (recovery)	**(46,559)**	-
Net Loss and Comprehensive Loss	**(1,218,832)**	(2,119,942)
Deficit at Beginning of Period	**71,796,966**	64,568,769
Deficit at End of Period	**$ 73,015,798**	$ 66,688,711
Net Loss per share (basic and diluted)	**$ 0.02**	$ 0.03
Weighted average number of common shares outstanding	**77,377,847**	76,898,736

The accompanying notes are an integral part of the consolidated financial statements

Forsys Metals Corp.

(An exploration stage company)

Consolidated Statements of Cash Flow

(Unaudited and expressed in Canadian dollars)

	Three Months Ended March 31, 2009	Three Months Ended April 30, 2008 Note 1
Operating Activities		
Net Loss and Comprehensive Loss	**$ (1,218,832)**	$ (2,119,942)
Items not involving cash:		
Stock option compensation	**74,556**	1,540,537
Amortization	**38,897**	111,430
Gain on sale of capital assets	**(5,808)**	-
Future income tax recovery	**(46,559)**	-
Changes in non-cash working capital items:		
Amounts receivable	**561,153**	16,793
Prepaid expenses	**10,311**	(61,338)
Accounts payable and accrued liabilities	**(63,079)**	348,820
Cash Flow Used in Operating Activities	**(649,361)**	(163,701)
Financing Activities		
Exercise of options	**358,500**	38,475
Exercise of warrants	**5,525,000**	-
Cash Flow from Financing Activities	**5,883,500**	38,475
Investing Activities		
Maturity of short-term investments	**21,457,526**	-
Additions to mineral properties and deferred exploration expenditures	**(984,423)**	(2,198,048)
Purchase of capital assets	**(412,651)**	(191,178)
Proceeds on sale of capital assets	**24,763**	-
Cash transferred from restricted deposits	**-**	100,000
Cash Flow from Investing Activities	**20,085,215**	(2,289,236)
Exchange loss on cash held in foreign currency	**(2,754)**	(5,686)
Net increase (decrease) in cash and cash equivalents	**25,316,600**	(2,420,148)
Cash and cash equivalents at beginning of period	**12,835,801**	51,536,054
Cash and cash equivalents at end of period	**$ 38,152,401**	$49,415,906

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

1. Nature of Operations

Forsys Metals Corp. ("Forsys" or the "Company") is a Canadian based exploration stage Company engaged in the acquisition, exploration and development of mineral properties. The Company's principal focus is on bringing the Valencia Uranium Project into production and exploring its other mineral properties located in Namibia, Africa. As an exploration stage company, the Company's income is limited to interest income and other incidental income. The Company continues to be dependent upon its ability to finance its development and exploration activities which may include the issuances of debt or equity securities or the participation of third parties in various properties.

The recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon, but not limited to, the dependence on key individuals, the ability of the Company to obtain necessary permits and financing to complete the exploration and development and upon future profitable production or proceeds from the disposition of properties. The Company may be adversely affected by governmental amendments or changes to mining laws, regulations and requirements in Namibia. The Company does not have sufficient cash to fund the development of its Namibian properties and therefore will require additional funding which if not raised would result in the curtailment of activities and result in development delays and/or a review of strategic alternatives. While the Company has been successful in the past, there can be no assurance it will be able to raise sufficient funds in the future.

In 2008, the Company changed the year end from January 31 to December 31. Accordingly comparative figures for the corresponding first quarter of 2008 provided in these statements are for the three months ended April 30, 2008.

2. Summary of Significant Accounting Policies

Basis of Presentation

These unaudited interim consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles (GAAP) and follow the same accounting principles and methods of application as used in the most recent annual consolidated financial statements except for the recent accounting standards adopted as noted under the "New Accounting Standards Adopted" section below. Since the interim financial statements do not include all disclosures required in the GAAP annual financial statements, the accompanying unaudited interim consolidated financial statements should be read in conjunction with the notes to the Company's audited consolidated financial statements for the eleven months ended December 31, 2008. The unaudited interim consolidated financial statements include all normal and recurring adjustments, which are, in the opinion of management, necessary for a fair presentation of the respective interim periods presented and certain of the prior period's comparative numbers have been reclassified to reflect the current period's financial statement presentation. These financial statements include the accounts of Forsys and its subsidiaries Valencia Uranium (Pty) Limited, Westport Resources Namibia (Pty) Limited and Mega Diamond Development Ltd. All inter-company transactions and balances have been eliminated.

Changes in Accounting Policies

a) Effective January 1, 2009 the Company adopted the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3064, "Goodwill and Intangible Assets" which replaced Handbook Section 3062, Goodwill and Other Intangible Assets and Section 3450, Research and Development Costs. This standard established revised standards for the recognition, measurement and disclosure of goodwill and intangible assets other than the initial recognition of goodwill or intangible assets acquired in a business combination. Concurrent with the introduction of this standard, the CICA withdrew EIC 27 "Revenues and expenses during the pre-operating period. This standard also harmonizes Canadian standards with IFRS and applies to annual and interim financial statements for fiscal years beginning on or after October 1, 2008. There was no impact to previously reported financial statements as a result of implementation of the new standard.

(Unaudited and expressed in Canadian dollars)

b) On January 20, 2009 the Emerging Issues Committee of the CICA issued EIC-173 "Credit risk and the fair value of financial assets and liabilities". This abstract requires the Company to consider its own credit risk and the credit risk of the counterparty when determining the fair value of financial assets and financial liabilities. This guidance was adopted by the Company effective January 1, 2009 and did not have any impact on the Company's consolidated financial statements.

c) On March 27, 2009 the Emerging Issues Committee of the CICA issued EIC 174, "Mining Exploration Costs", which provides guidance on capitalization of exploration costs related to mining costs in particular and on impairment of long-lived assets in general. This guidance was adopted by the Company effective January 1, 2009 and did not have an impact on the Company's consolidated financial statements.

Accounting Standards Issued But Not Yet Adopted

The CICA has issued the following standards which may affect the financial disclosures and results of operation for interim and annual periods beginning on or after January 1, 2011.

a) In October 2008 the CICA issued Handbook Section 1582 "Business Combinations" will replace section 1581 "Business Combinations" and provide the Canadian equivalent to International Financial Standards Board Standard IFRS 3 "Business Combinations". This section specifies a number of changes including: an expanded definition of a business, a requirement to measure all business acquisitions at fair value, a requirement to measure non-controlling interests at fair value and a requirement to recognize acquisition-related costs as expenses. Section 1582 applies prospectively to business combinations occurring on or after January 1, 2011. The Company is currently reviewing the impact of this standard and does not expect any significant impact on its consolidated financial statements.

b) In October 2008 the CICA issued Handbook Section 1601 "Consolidated Financial Statements" and CICA Handbook Section 1602: "Noncontrolling Interests in Consolidated Financial Statements" together replace existing CICA Handbook section 1600. Section 1601 establishes the standards for preparing consolidated financial statements. Section 1602 specifies that noncontrolling interests be treated as a separate component of equity, not as a liability or other item outside of equity. It is equivalent to the corresponding provisions of International Financial Reporting Standard IAS 27, "Consolidated and Separate Financial Statements". These revised standards apply to financial statements prepared for periods beginning on or after January 1, 2011 although earlier adoption is permitted. CICA Handbook Section 1602: The CICA has issued the new Canadian standard, Handbook Section 1602 Noncontrolling Interests in Consolidated Financial Statements. Section 1602 is effective for periods beginning on or after January 1, 2011 and will be applied prospectively to all noncontrollng interests, including any that arose before the effective date. Forsys does not expect the adoption of these standards will have a material impact on its financial statements.

3. Mineral Properties and Deferred Exploration Expenditures

	March 31, 2009	December 31, 2008
Mineral properties located in Namibia, Africa		
Balance of beginning of period	**$57,049,044**	$56,115,962
Purchase of remaining 68% interest in Omatjete Mining Company (Pty) Limited	**-**	933,082
Balance at end of period	**57,049,044**	57,049,044
Deferred exploration expenditures		
Balance at beginning of period	**17,185,874**	8,307,311
Exploration and development costs	**1,339,200**	9,035,156
Stock based compensation capitalized	**26,317**	217,769
Deferred exploration costs expensed	**-**	(374,362)
Balance at end of period	**18,551,391**	17,185,874
	$75,600,435	$74,234,918

(Unaudited and expressed in Canadian dollars)

The Company holds the following Licences for mineral properties in Namibia, Africa.

a) Licence ML 149

Mining Licence ML149 for the Valencia Uranium Project was issued on August 20, 2008 for a period of 25 years until June 22, 2033. This Licence replaces Exclusive Prospecting Licence 1496.

b) Exploration Licences

The Company holds the following exploration licences for mineral properties in Namibia, Africa:

i. A 70% interest in Exclusive Prospecting Licences 3632, 3635, 3636 and 3637 held by Ancash Investments which was renewed for a period of two years until November 5, 2009.

ii. A 70% interest in the Exclusive Prospecting Licence 3638 held by Dunefield Mining Company (Pty) Limited, which was renewed for a period of two years until November 6, 2009

iii. Exclusive Prospecting Licence 3195 for the Ondundu gold project, which was renewed for a period of two years until May 30, 2009.
iv. Exclusive Prospecting Licence 3166 for the Omaruru gold project for which renewal is pending.

In addition, the Company, through its subsidiary Westport Resources Namibia (Pty) Limited, has an Option agreement to earn a 60% interest in the Exclusive Prospecting Licence 3136 for the Elbe copper, gold, zinc and silver project. In order to earn its interest in the property, the Company must issue 300,000 common shares and incur exploration and development expenditures totalling NAD$5 million before March 12, 2010.

4. Capital Assets

The detail of Capital Assets is as follows:

	March 31, 2009			December 31, 2008		
	Cost	**Accumulated Amortization**	**Net Book Value**	Cost	Accumulated Amortization	Net Book Value
Land and buildings	**$ 655,000**	$ -	**$ 655,000**	$ 655,000	$ -	$ 655,000
Vehicles	**524,324**	**201,590**	**322,734**	528,732	188,819	339,913
Equipment	**329,395**	**135,844**	**193,551**	327,759	128,467	199,292
Office furniture	**133,244**	**56,345**	**76,899**	131,292	52,653	78,639
Leasehold improvements	**98,440**	**56,058**	**42,382**	98,440	49,905	48,535
Construction in process	**6,000,905**	-	**6,000,905**	3,963,500	-	3,963,500
	$7,741,308	**$ 449,837**	**$7,291,471**	$5,704,723	$ 419,844	$5,284,879

Construction in process consists of amounts advanced for the construction of a crusher, three rod mills and an access road for the Valencia Uranium Project, plus cash advanced for the design of electricity infrastructure.

(Unaudited and expressed in Canadian dollars)

5. Share Capital

Authorized

The Company is authorized to issue:

An unlimited number of Class A common shares without par value
An unlimited number of redeemable, voting non-participating Class B shares
An unlimited number of Class C shares with rights and privileges to be determined by the Board of Directors of the Company

Issued and Outstanding Class A Common Shares

	Number of Shares	$
Balance as at January 31, 2008	76,838,998	124,587,015
Issued for cash:		
Exercise of options	85,500	38,475
Reallocation from Contributed Surplus related to options exercised	–	36,457
Issues as payment for:		
Acquisition of 58% interest in Omatjete	130,000	405,600
Balance as at April 30, 2008	77,054,496	125,067,547
Issued for cash:		
Exercise of options	123,333	119,083
Reallocation from Contributed Surplus related to options exercised		106,448
Issued as payment for:		
Acquisition of 10% interest in Omatjete	22,400	70,336
Balance as at December 31, 2008	77,200,231	125,363,414
Issued for cash:		
Exercise of warrants	1,400,000	5,525,000
Exercise of options	335,000	358,500
Reallocation from Contributed Surplus related to warrants exercised	–	2,641,716
Reallocation from Contributed Surplus related to option exercised	–	352,985
Balance as at March 31, 2009	78,935,231	134,241,615

Stock Options

A summary of the activity in the Company's stock option plan is presented below:

	Number of Options	Weighted Average Exercise Price $
Outstanding as at January 31, 2008	6,118,500	3.08
Granted	450,000	3.11
Exercised	(85,500)	0.45
Cancelled	(20,000)	2.20
Outstanding as at April 30,2008	6,463,000	2.74
Granted	360,000	3.65
Exercised	(123,333)	0.96
Cancelled	(126,667)	3.80
Outstanding as at December 31, 2008	6,573,000	3.19
Exercised	(335,000)	1.07
Outstanding as at March 31, 2009	6,238,000	3.31

(Unaudited and expressed in Canadian dollars)

	Number of Options	Weighted Average Exercise Price $
Exercisable at April 30, 2008	5,410,000	3.13
Exercisable at December 31, 2008	6,183,000	3.18
Exercisable at March 31, 2009	5,998,000	3.20

A summary of the Company's options outstanding and exercisable at March 31, 2009 is presented below:

Grant Date	Exercise Price	Options Outstanding	Options Exercisable	Expiry Date
July 7, 2005	$0.50	250,000	250,000	July 7, 2010
September 6, 2005	$0.75	100,000	100,000	September 6, 2010
March 23, 2006	$1.15	250,000	250,000	March 23, 2011
April 11, 2006	$2.00	195,000	195,000	April 11, 2011
September 27, 2006	$2.20	788,000	788,000	September 27, 2011
January 5, 2007	$5.69	110,000	110,000	January 5, 2012
February 21, 2007	$7.74	660,000	660,000	February 21, 2012
July 31, 2007	$5.40	100,000	100,000	July 31, 2012
September 4, 2007	$3.80	100,000	100,000	September 4, 2012
October 25, 2007	$3.00	3,000,000	3,000,000	October 25, 2012
March 7, 2008	$3.11	450,000	300,000	March 7, 2013
May 22, 2008	$4.11	10,000	3,333	May 22, 2013
August 1, 2008	$3.80	100,000	100,000	August 1, 2013
August 6, 2008	$3.65	75,000	25,000	August 6, 2013
September 19, 2008	$5.40	50,000	16,667	September 19, 2013
		6,238,000	5,998,000	

During the 3 months ended March 31, 2009 stock option compensation of $26,317 (3 months ended April 30, 2008 $Nil) was included in deferred exploration expenditures and $74,556 (3 months ended April 30, 2008 $1,540,537) was expensed. At March 31, 2009 $453,119 of unvested and unamortized value remained to be recorded.

No options have been granted since December 31, 2008. Since March 31, 2009, 50,000 options have been exercised at $2.20.

Warrants

A summary of the activity in the Company's warrants is presented below.

	Number of Warrants	Weighted Average Exercise Price
Outstanding as at January 31, 2008, April 30, 2008 and December 31, 2008	7,500,000	$5.27
Exercised	(1,400,000)	$3.86
Expired March 14, 2009 without being exercised	(2,100,000)	$3.50
Outstanding as at March 31, 2009	4,000,000	$6.66

The following table provides additional information about outstanding warrants at March 31, 2009

Grant Date	Expiry Date	Number of Warrants	Exercise Price

March 13, 2007	March 13, 2010	4,000,000	$6.66

6. Contributed Surplus

Balance as at January 31, 2008	$ 38,582,156
Stock-based compensation	1,540,537
Value of options transferred to share capital	(36,457)
Balance as at April 30, 2008	40,086,236
Stock-based compensation	693,938
Value of options transferred to share capital	(106,448)
Balance as at December 31, 2008	$ 40,673,726
Stock-based compensation	100,873
Value of options transferred to share capital	(352,985)
Value of warrants transferred to share capital	(2,641,716)
Balance as at March 31, 2009	$ 37,779,898

7. Commitments and Contingencies

a) The Company is involved from time to time in various legal actions and claims in the ordinary course of business. In the opinion of management, the aggregate amount of any potential liability is not expected to have a material adverse effect on the Company's financial position or results.

b) In order to achieve production, the Company has identified certain critical items requiring a purchase commitment in advance of a formal production decision for Valencia being made by the Company's Board. At March 31, 2009 the Company had outstanding commitments of $18,382,000 for the remaining cost of a primary gyratory crusher, three rod mills and a road with progress payments scheduled over the next two years.

c) The Company has operating lease commitments over the next five years as follows:

2009	$123,000
2010	111,000
2011	97,000
2012	8,000
2013	-
	$339,000

8. Related Party Transactions

During the 3 months ended March 31, 2009, consulting fees of $286,000 (3 months ended April 30, 2008 - $267,000) were paid to three directors of the Company or companies controlled by them in accordance with the consultant's contracts.

General and administrative expenses include $389,000 (Three months ended April 30, 2008 - $nil) for legal fees paid to a firm, a partner of which is also a Director of the Company.

(Unaudited and expressed in Canadian dollars)

These payments have been recorded at the exchange amounts agreed to by the parties and have been paid.

9. Segmented Information

The Company has one operating segment in the mining and mineral exploration industry in Namibia. Mining properties, deferred exploration expenditures and substantially all of the company's capital assets, and working capital with the exception of cash and cash equivalents relate to Namibia. The total assets located by geographic area are as follows:

	March 31, 2009	December 31, 2008
Namibia	**$ 83,339,644**	$ 80,104,771
Canada	**37,980,466**	34,555,620
	$121,320,110	$ 114,660,391

10. Capital Management

The Company's objective when managing capital is to ensure that it has sufficient capital to maintain its ongoing operations, to provide adequate returns for shareholders and benefits for other stakeholders and to maintain a sufficient level of funds to support continued exploration and development of its operations in Namibia.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Company's assets. Exploration involves a high degree of "discovery risk" and substantial uncertainties about the ultimate ability of the Company to achieve positive cash flow from operations. Consequently, management funds the Company's exploration by issuing capital stock rather than using other capital sources that require fixed repayments of principal or interest. The level of exploration activity is dependent based on the level of funds available to the Company to manage its exploration and development activities.

The Company has committed to the acquisition of some long lead time items required to advance development and these expenditures are being funded from working capital. The Board has not yet made an initial decision to develop the mine. Management will consider the issue of senior debt, convertible investments, other financial instruments and strategic participants as a means to finance development while minimizing equity dilution. In order to maintain or adjust its capital structure, the Company expects that it will be able to obtain financing sufficient to maintain and expand development activities. There are no assurances that these initiatives will be successful.

As of March 31, 2009 the Company is not subject to any externally imposed capital requirements and there has been no change during the period with respect to the overall capital risk management strategy.

11. Financial Risk Factors

The Company examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, currency risk, interest rate risk and price risk.

a) Credit Risk

The Company's credit risk primarily relates to short-term deposits and accounts receivable. The Company manages its credit risk over short-term deposits by purchasing short-term investment grade securities, such as banker's acceptances and bank deposit notes issued by top tier Canadian banks. The Company's receivables currently consist primarily of value-added taxes receivable from the Namibian government the collectability of which is dependent on Namibian tax policy not changing.

b) Liquidity

The Company's approach to managing liquidity risk is to provide sufficient capital to meet liabilities when due. The Company maintains sufficient cash and cash equivalents to meet short-term business requirements. On March 31, 2009 the Company had cash and cash equivalents of $38,152,401. On January 5, 2009 a short-term deposit for $21,457,526 was reinvested for a term of less than 90 days and is therefore included in cash and cash equivalents. Refer to the "Liquidity" section above for a discussion of management's strategy for managing its liquidity requirements.

c) Foreign Currency Risk

The Company's functional currency is the Canadian dollar. Expenses are incurred in Canadian, United States dollars, Namibian dollars and Euros. The Company is subject to gains and losses due to fluctuations in these currencies. The Company maintains a Canadian and US dollar bank account in Canada and maintains a Namibian dollar bank account for local operating expenses in Namibia.

At March 31, 2009 $37.9 million of the Company's cash and cash equivalents and short-term deposit are held in Canadian dollars with a Canadian Chartered Bank. The remaining $0.3 million is held in a Namibian dollar bank account in Namibia to meet immediate cash requirements.

As part of its acquisition of equipment for Valencia, the Company is responsible for foreign exchange fluctuations between the original price and the actual time of payments, with portions of the contract payable in US, Canadian dollars and Euros. Pursuant to the contract the supplier enters into foreign exchange contracts from reduce the Company's exposure to foreign exchange volatility. The Company does not hedge any of this purchase commitment given the short term nature of current commitments.

d) Interest Rate Risk

The Company's cash and cash equivalents and short-term investments primarily include highly liquid investments, which earn interest at market rates that are fixed to maturity. At March 31, 2009 these investments included banker's acceptances and bank deposit notes issued by top tier Canadian banks. The Company reviews the credit ratings of these banks from time to time and its investment decisions are focused on preservation of capital and liquidity. The Company also holds cash and cash equivalents in bank accounts that earn variable interest rates. Because of the short-term nature of these financial instruments, fluctuations in market rates do not have a significant impact on estimated fair values as of March 31, 2009. Future cash flows from interest income on cash and cash equivalents will be affected by interest rate fluctuations.

e) Commodity Price Risk

The future profitability of the Company is directly related to the market price of uranium. The feasible development of Valencia is highly dependent upon the price of uranium. A sustained and substantial decline in commodity prices and uranium prices in particular could result in the write-down, termination of exploration work and loss of the Company's interests in some of its properties.

f) Sensitivity Analysis

As of March 31, 2009, management estimates that if interest rates changed had changed by 1%, (i.e. 100 basis points), assuming all other variables remained constant, the reduction in the net loss would have been approximately $382,000.

12. Plan of Arrangement with GFI

On November 14, 2008, George Forrest International Afrique S.P.R.L. ("GFI") and Forsys entered into a definitive agreement (which was amended by way of an amendment agreement on January 28, 2009) pursuant to which it is intended that GFI (or its nominee) will effectively acquire, by way of a court-approved plan of arrangement, all of the outstanding common shares of Forsys (the "Offer") on the basis of $7.00 per share in cash for each common share of Forsys, plus the "in the money" amount of any outstanding Forsys options and warrants. (the "Arrangement"). The consideration to be received pursuant to the Arrangement values Forsys at approximately $579 million. On November 14, 2008 the board of directors of Forsys (the "Board") unanimously approved the Arrangement and resolved to recommend to securityholders of Forsys that they vote in favour of the Arrangement. The Board established a special committee on October 21, 2008 to review and consider the proposed terms of the Arrangement transaction, and on November 14, 2008 the special committee unanimously resolved to recommend that the Board approve the Arrangement and that the Board recommend to the security holders of Forsys that they vote in favour of the Arrangement.

The directors, senior officers and certain other securityholders of Forsys entered into support agreements with GFI, pursuant to which they irrevocably agreed to vote their shares (including any shares issuable upon the exercise of options and warrants) and their options and warrants, representing 20.4% of the outstanding common shares of Forsys (calculated on a fully diluted basis), in favour of the Arrangement at the special meeting convened for the purposes of approving the Arrangement. Forsys received shareholder approval (which included the securities voted in accordance with the above-noted support agreements) for the Arrangement on February 27, 2009 and court approval for the Arrangement on March 3, 2009, and pursuant to the terms of the arrangement agreement, the Arrangement was to close on or before March 18, 2009.

On March 12, 2009 Forsys received a written request from GFI to extend the closing date for the Arrangement and following discussions with GFI, the Company announced on April 2, 2009 that it had entered into an amendment to Arrangement Agreement to extend the closing date for the transaction to no later than July 31, 2009.