



VENA RESOURCES INC.

Management's Discussion and Analysis of Financial Condition and Results of Operation For the nine month period ended September 30, 2009

Management's discussion and analysis (MD&A) is current to November 13, 2009 and is management's assessment of the operations and the financial results together with future prospects of Vena Resources Inc. ("Vena" or the "Company"). The following MD&A should be read in conjunction with the December 31, 2008 Audited Consolidated Financial Statements and related Notes to the Audited Consolidated Financial Statements. These consolidated financial statements are prepared in accordance with Canadian Generally Accepted Accounting Principles. All figures are in Canadian dollars unless stated otherwise. This discussion contains forward-looking statements that are not historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantees as to Vena's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward looking statements. The Company has adopted National Instrument/ 51-102F1 as the guideline in presenting the MD&A. This MD&A should be read in conjunction with the most recent Annual Information form ("AIF") on file with the provincial securities regulatory authorities. Additional information relevant to Vena's activities, including Vena's Press Releases can be found on SEDAR at www.sedar.com.

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1. Overall Performance

The principal business reason for the creation of Vena was to acquire and explore mineral properties in Peru. Vena is currently focused on exploring and developing its Peruvian Azulcocha, Esquilache, Pucara, Sudamericana de Carbon (SDC) and Uranium properties.

Other properties of Vena are the Granja Nueva property and the Inca Gold projects. The Uranium projects (JV with Cameco), Azulcocha polymetallic mine, Azulcocha West (JV with Glencore) and Pucara properties are currently being advanced and the Las Princesas property is encircled by Barrick Gold and PanAmerican Silver claims and is immediately adjacent to Barrick Gold's Alto Chicama property. Vena has completed a pre-feasibility study of the Azulcocha tailings property and hired MineFill Services Inc. to complete a scoping study. An updated NI 43-101 report including underground mine resources was completed in February 2008. In March 2009 the government of Peru approved an Environmental Impact Assessment for the Azulcocha Project.

Vena is structured into four strategic business units:

- The Clean Energy Division controls 47,000 hectares of Uranium prospects for the exploration and confirmation of all 78 targets found by Peruvian Institute of Nuclear Energy (IPEN) during three decades of exploration throughout Peru. Four field confirmation campaigns in 2005 confirmed the findings of 20 years of exploration performed by IPEN. Vena is now drilling the Macusani area and expects to deliver drill results bi-monthly throughout 2009. As of March these assets are held through a 75% owned subsidiary – Minergia S.A.C. CAMECO Corp. has agreed to make a strategic investment in Minergia S.A.C for up to \$10 million over four years to earn 50% of the shares of Minergia. CAMECO has the option to earn 60% of Minergia when a feasibility report is completed and to earn 70% when mine development commences. As of Feb 2009, Cameco owns 25% of Minergia. Minergia's 2009 budget has been set to CAD\$2.5 million plus any VAT amount that is recovered directly from the government of Peru. This division is also responsible for our investments in the coal mining industry via Sudamericana de Carbon (SDC). SDC controls the Oyon project that is being prepared for larger production to comply with current customer demand from cement companies. In addition, SDC is implementing a facility in northern Peru to stockpile and classify anthracite coal to meet the growing local demand as well as given its proximity to port facilities it is developing export plans to Chile, Brazil and Ecuador.
- The Precious Metals Division completed a review of several Inca Gold properties with Masma justifying additional investments in 2009. It also controls the strategically located "Las Princesas" gold property that is completely encircled by Barrick Gold and Pan American Silver claims and is immediately adjacent to the recently opened Alto Chicama mine owned by Barrick Gold. The Company wrote off Huachon and Tantar properties during the second quarter of fiscal 2008. The company added the Pucara gold/copper project to this division. Pucara was previously drilled by CVRD from Brazil and Vena completed a 4,400 meter drill program leading to a 1800 metre underground mine development that started in May 2008. The company is working with possible JV partners to advance this project The company is advancing Esquilache via a systematic underground sampling program helping identify drill targets – all permits are in place for an upcoming drill program.
- The Base Metals Division is responsible for developing all copper/moly deposits including the Granja Nueva project next to Rio Tinto's world class deposit of La Granja in northern Peru, field crews are performing first stage geological review of this project to see if it merits an aggressive investment program. The company is working with possible JV partners to advance this project. The Aurora project - a large copper-molybdenum deposit that went through a 2,000 meter phase I drilling campaign in 2005. Has been written off.
- The Mining Group responsible for the Azulcocha project, a historically high-grade zinc and manganese mine, completed a NI 43-101 compliant report for the tailings resource providing close to one million tons of economically recoverable Zn and Mn resources. The Company remains focused on expanding the economic life of this project, thus several actions are being undertaken to expand

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the resource of the underground mine. An exploration program was initiated with positive results along a high-grade zinc vein-like structure. Finally, a modeling program of the historical data has been initiated as well as the re-opening of the underground workings which facilitated an underground drilling campaign in 2006 which led to a scoping study which was completed in March 2007. The Company also signed a joint venture agreement with Glencore of Switzerland to explore the western portion of the project leading to a feasibility study in 24 months. Vena plans to sell concentrate from a pilot mill to Glencore throughout 2008 generating a revenue stream while milling facilities and permits are being processed for a much larger and scalable milling facility. Azulcocha is its final and most critical stage of development – construction and environmental impact assessment permits. A 3 megawatt substation has been installed, an ISO certified lab is operational and a 1400 tpd mill has been purchased. The company received the approval for the EIA study leading to construction permits.

The company has been very aggressive in the development of its projects in the last 12 months:

- Vena filed in February 2008 an initial NI 43-101 report on the Azulcocha Zinc project. Almost 200 million pounds of Zinc (Indicated category) have been reported.
- Reopened 5 underground levels in the Azulcocha mine – mineralized structure is wider than expected
- Completed +2,500 metres in underground workings to confirm a portion of the historical resource in Azulcocha – ore body is open along strike and depth.
- Gold zone hosted on sandstones near surface has been identified at Azulcocha. Met test are being programmed to understand its economic viability.
- Has purchased a flotation mill capable of processing up to 1,400 tons per day for Azulcocha
- Construction of mill should be completed in a few months after receiving construction and EIA permits.
- Has implemented an on-site laboratory managed by SGS Labs (an ISO certified lab in Peru)
- Construction of a 3 mega watts electrical substation was completed as of the end of 2007 providing lower cost electricity to the mine development operations, the mill and for the camp, lab and entire infrastructure in Azulcocha
- Is working with a partner to move the Azulcocha tailings project to feasibility stage
- Has recruited outstanding professionals to direct the company efforts in Peru
- Has begun a large drill program in Uranium targets with CAMECO – budget has been set to CAD\$2.5 million dollars for 2009 plus any VAT that gets recovered this year.
- Has completed 4,400 meter drill program at Pucara
- Pucara has now moved to advanced exploration stage via underground workings, The Company began a 1,800 metres of underground workings by drifting along mineralized structures as of June 2008. The company is working with possible JV partners to advance this project.
- Vena signed a JV agreement with Apex Silver to explore the historical Esquilache underground silver mine.
- The company is quickly learning a lot about Esquilache. Drill permits are in place for an upcoming diamond drill program starting in late 2009.
- The Company now has an established office in Juliaca with 30 people devoted to all projects in Puno
- Azulcocha West drill program has been expanded given the encouraging initial program – two new zones have been identified for additional drilling. A skarn zone in the San Pablo area containing significant zinc mineralization and a silver zone in the lagartija area. 20 additional platforms are being drill tested using 4 rigs.
- Glencore is planning to continue drilling Azulcocha West until May 2010.
- Glencore has provided an internal tonnage resource estimate of 785,000 of mineralized material.
- The Company is developing an aggressive coal resource development program via its investment in Sudamerica de Carbon (SDC). SDC purchased the Oyon project late in 2008 and is implementing facilities in northern Peru to stockpile and classify anthracite coal to meet the needs of the local and regional markets.
- The Company is restructuring its short term human resource and financial investment to cope with the global financial crisis

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- The Company is monetizing non-core assets to raise funds without diluting existing shareholders.

2. Critical Accounting Estimates

Critical accounting estimates used in the preparation of the audited and consolidated financial statements include the Company's estimate of recoverable value of its mineral properties and related deferred exploration costs.

These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control.

If the going concern assumption was not appropriate for the September 30, 2009 unaudited consolidated financial statements, then adjustments would be necessary to the carrying value of assets and liabilities and the reported loss.

3. Results of Operations

New Accounting Standards

The Company adopted new accounting standards issued by the Canadian Institute of Chartered Accountants relating to the accounting for and disclosure of financial instruments and comprehensive income.

Adoption of these standards did not require the Company to restate prior periods as these new standards have been adopted prospectively.

Three Months Ended September 30, 2009

Vena has been actively exploring for Uranium in a number of project areas in Southeast Peru with the technical support of Cameco; both companies have agreed to invest \$2.5 million this year in two major drill programs (Laguñillas and Macusani) with the goal of delineating a 43-101 compliant U resource. Consorcio Minero Horizonte provided a series of technical test on the Pucara project – that information will be critical for Vena as it plans Pucara's future. The company is working with possible JV partners to advance this project. SDC is advancing the permitting process for Oyón to begin sales to the local cement manufacturers, as well as purchase land in northern Peru to stockpile and calibrate/classify anthracite coal. Coal demand is forecasted to increase in the near term

Due to the activities mentioned above, Vena incurred a loss of \$1,477,485 or \$0.018 per share for the three month period ended September 30, 2009 compared to a loss of \$2,647,082 or \$0.035 per share for the three month period ended September 30, 2008. This difference is mainly attributed to unrealized foreign exchange, sale of assets, and reclassification of expenses. Vena did not record any sales from its Azulcocha property for the three month period ended September 30, 2009 compared to \$38,302 in the same period of 2008. Given the current price of Zinc, the company does not expect to sale concentrate this quarter. SDC record sales of \$Nil for the nine month period ended 2009 and 2008. The Company is going thru the permitting process to increase mining capacity at Oyon's coal mine to better meet the needs of nearby cement companies.

During the three month period ended September 30, 2009 consulting expenses decreased by \$197,880 to \$115,095 compared to \$312,975 in the same period in 2008. The increase in consulting is attributable to reclassification in the prior year 2008 as compared to 2009.

During the three month period ended September 30, 2009, salaries and benefits expense was \$Nil compared to \$531,721 in 2008. The decrease in salaries and benefits is attributable to a cost saving initiative implemented by the Company.

The professional fees for the three month period ended September 30, 2009 were \$23,067 compared to \$9,854 in the same period in 2008. The fees are expected to remain at the current level of activity.

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During three month period ended September 30, 2009, travel expenses decreased by \$49,363 to \$7,628 compared to \$56,991 in the same period in 2008. Expenditures were usually high in 2008, due to increased activity and meetings in Peru and Canada.

During the three month period ended September 30, 2009 shareholder relations expense decreased by \$80,509 to \$30,984 compared to \$111,493 in the same period in 2008. The decrease is attributable to lower transactions during the current period.

During the three month period ended September 30, 2009, office and general expenses decreased by \$200,677 to \$139,333 compared to \$340,010 in the same period in 2008. The decrease is attributable to lower activities levels early in 2009 as compared to 2008.

Stock based compensation for the three month period ended September 30, 2009 was \$36,510 compared to \$Nil in the same period in 2008.

Nine Months Ended September 30, 2009

Vena has been actively exploring for Uranium in a number of project areas in Southeast Peru with the technical support of Cameco; both companies have agreed to invest \$2.5 million this year in two major drill programs (Laguñillas and Macusani) with the goal of delineating a 43-101 compliant U resource. Consorcio Minero Horizonte is performing a series of technical test on the Pucara project – that information will be critical for Vena as it plans Pucara's future. SDC is advancing the permitting process for Oyón to increase sales to the local cement manufacturers, as well as purchase land in northern Peru to stockpile and calibrate/classify anthracite coal. Coal demand is forecasted to increase in the near term

Due to the activities mentioned above, Vena incurred a loss of \$737,710 or \$0.009 per share for the nine month period ended September 30, 2009 compared to a loss of \$7,190,831 or \$0.113 per share for the nine month period ended September 30, 2008. This difference is mainly attributed to unrealized foreign exchange, sale of assets, and reclassification of expenses. Vena did not record any sales from its Azulcocha property for the nine month period ended September 30, 2009 compared to \$265,437 in the same period of 2008. Given the current price of Zinc, the company does not expect to sale concentrate this quarter. SDC record sales of \$Nil for the nine month period ended 2009 and 2008. The Company is going thru the permitting process to increase mining capacity at Oyon's coal mine to better meet the needs of nearby cement companies.

During the nine month period ended September 30, 2009 consulting expenses decreased by \$464,366 to \$292,095 compared to \$756,461 in the same period in 2008. The decrease in consulting is attributable to a cost saving initiative implemented by the Company.

During the nine month period ended September 30, 2009, salaries and benefits expense was \$20,226 compared to \$1,134,992 in 2008. The decrease in salaries and benefits is attributable to a cost saving initiative implemented by the Company.

The professional fees for the nine month period ended September 30, 2009 were \$94,117 compared to \$82,202 in the same period in 2008. The fees are expected to remain at the current level of activity.

During nine month period ended September 30, 2009, travel expenses decreased by \$106,617 to \$35,720 compared to \$142,337 in the same period in 2008. Expenditures were usually high in 2008, due to increased activity and meetings in Peru and Canada.

During the nine month period ended September 30, 2009 shareholder relations expense decreased by \$180,165 to \$91,955 compared to \$272,120 in the same period in 2008. The decrease is attributable to lower transactions during the current period.

During the nine month period ended September 30, 2009, office and general expenses decreased by \$182,311 to \$497,354 compared to \$679,665 in the same period in 2008. The fees are expected to remain at the current level of activity.

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Stock based compensation for the nine month period ended September 30, 2009 was \$187,510 compared to \$325,010 in the same period in 2008.

In the coming months, the Company should also:

- Complete second phase drilling campaign in the Macusani, and first phase drilling campaigns in the Munani and Lagunillas regions with CAMECO
- Complete first phase drilling campaign at Esquilache. 3,000 meters to be completed in 3-4 months.
- Acquire key projects containing anthracite coal resources via SDC
- Build anthracite facility to stockpile and classify coal to meet increase demand from local market
- Sign Joint Venture agreement in Cu/Au Pucara project
- Complete the scoping study of the Azulcocha project related to its Manganese resources
- Complete underground drill program to expand known resources at Azulcocha
- Complete metallurgical tests on the possible recovery of gold hosted in sandstones at Azulcocha
- Launch field exploration programs on the Granja Nueva property
- Launch field exploration programs on the Masma and Gianderi properties in northern Peru

The EIA for the Azulcocha Property was approved by the Peruvian government on February 27, 2009. This allows the construction permit to be granted for the milling facilities. Vena does not expect revenue from the Azulcocha property in the next quarter due to current economical situation and commodity prices. As metal prices recover, the Company will re-evaluate its investment level.

4. Properties and Projects

Azulcocha Property

The property is located in the country of Peru in the Department of Junin.

The property is approximately 260 kilometres east from the City of Lima on the two-lane Carretera Central highway. Approach to the property can be made to within 40 kilometres via an asphalt, all-weather highway. The final 40 kilometres is on a rough, single lane dirt road that is passable by 2 wheel drive vehicles.

The property comprises 5,036 hectares of mining concessions. The property is owned by Compania Vena Peru S.A.C., a 100% Vena controlled entity in Peru. All registration fees for the concessions are current.

The property was obtained directly from the government with the exception of the San Luis Primero concession which was acquired from a third party. Under Peruvian law, the concessions acquired from the government remain in good standing as long as the annual registration payments (\$3.00 per hectare) are received by June of each year. One grace year is added in the event of a delinquent payment.

On December 20, 2004, Vena announced the positive and encouraging results of its geophysical study at the Azulcocha zinc/manganese project near Huancayo, Peru approximately 260 kilometres east from the City of Lima.

On April 20, 2005, Vena announced it has received positive metallurgical results on the re-treatment of its Azulcocha poly-metallic stockpile. The Company has also located and purchased the complete and original geology mine plan and exploration data for the original Minera Gran Bretana mine. This purchase will sharply focus and greatly reduce the planned exploration program costs to confirm the historically reported 3.3 million tons of remaining ore (Munoz 1994). This historical value is not NI43-101 compliant and should not be considered a resource or reserve using accepted mining definitions.

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Vena is also pressing ahead with an ambitious exploration program to identify additional drill targets. The recent acquisition of the original Minera Gran Bretana data will accelerate this process. In addition to aiding in the quantification of remaining mineral, this purchased data has identified other "inflection" targets which will be evaluated for drilling.

Vena completed this phase of work (pre-feasibility and 43-101 resource and reserve estimate of the tailings) in July 2005 and will immediately commence a feasibility study. The feasibility study will be largely an effort to confirm markets and pricing in order to make an appropriation decision. It is anticipated that no additional technical studies will be required to complete the feasibility study of the tailings structure.

In addition to assessing the potential of the current stockpile, further drilling is needed to confirm the reported presence of additional underground mineralization. As well, surface samples on a newly found vein structure have returned up to 27% zinc grades, thus meriting a comprehensive exploration program.

Finally, Vena staked an additional 6,000 hectares and has started an exploration campaign with Empresa Minera Los Quenuales S.A., a subsidiary of Glencore who has committed to invest US\$2.75 million dollars over the next 2 years to produce a feasibility report. Under the terms of the option agreement dated November 2, 2006, Glencore has the option to acquire a 51% interest in Azulcocha West. Vena has sold ore from the underground workings to Glencore throughout 2007 generating a revenue stream while milling facilities and permits are being processed.

Vena has reopened 5 underground levels and began a program intended to confirm the historically reported 3.3 million tons of remaining ore leading to the publication of a NI 43-101 compliant report in early June 2008 together with a scoping study.

Based on preliminary work, the company has decided to purchase a 1,400 tpd floatation mill to process zinc and lead ore from this underground operation as well as from any future ore delineated in the Azulcocha West exploration program. A 3 MvA electrical substation was operational as of the end of 2007.

A gold zone hosted on sandstones was discovered near-surface. Metallurgical tests will be performed to assess financial viability of this discovery.

Uranium Concessions

On March 29, 2006, Vena began an exploration and confirmation field campaign on its 15,500 hectare uranium concessions in Peru which are controlled by Vena through a 75% owned subsidiary Minergia S.A.C.

Four field campaigns have been completed, the company has reported high-grade uranium mineralization along trenches in fracture veins as well as along disseminated sandstone formations, and is getting ready to commence a drilling campaign as soon as community and government permits are in place.

There are three districts that constitute the first field exploration campaigns: Macusani, Lagunillas and Munani. Vena's efforts to date have been focused on the Macusani and Munani regions.

Vena acquired an additional 31,500 hectares of uranium in Peru. Vena now controls 47,000 hectares of uranium prospects. On September 4, 2007 the Company signed a subscription agreement with Cameco Corporation whereby Cameco has the option to invest \$10 million over four years in two stage payments to obtain up to 50% of Minergia S.A.C. Cameco can increase its stake to 60% when a feasibility study is done and completed and to 70% when mine development commences. Cameco has invested so far \$4,980,000 as capital contribution.

A large drill program had commenced in 2008 and expected to last for at least 2 years intended to delineate a high-tonnage low grade near surface uranium resource in three regions of southern Peru. Drill program results are being published every 6-8 weeks.

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Minergía's budget for 2009 has been set to CAD\$2,500,000 plus any VAT that is recovered directly from the government of Peru.

Pucara Project

The Company acquired a group of concessions in the Pucara area of southern Peru. The Company issued 800,000 shares of Vena to the owners of these concessions and has paid US\$75,000. Additional shares and cash payments will be granted if key milestones are reached annually, and a US\$1/tonne cash payment up to 10 million tonnes as defined by a future feasibility study will be granted.

The Pucara project has been mined for 12 years by a small miner. Most recently, Pucara has been explored by CVRD of Brazil, completing 1,600 metres in 8 diamond drilled holes. The mineralization is mainly veins with widths varying from 1 to 5 metres and disseminated structures containing gold and copper. The principal veins are Santo Tomas and Esperanza; both outcrop for more than 2 kilometres. The Gladys disseminated structure located in the center portion of the project outcrops for at least 90 metres by 17 metres, containing chalcopyrite and gold with some galena and sphalerite. Several structures with disseminated mineralization are also present along the northern boundary of the project. Vena has retained a Denver based metallurgical consultant to test the oxide mineralized portion of the Gladys structure for a possible flotation recovery scheme. If successful, this would be followed by a standard flotation recovery system for the sulfide portion of the Gladys mineralized body.

After a review of the property by Vena personnel as well as a consulting geologist, the Company completed a drill program totaling 4,400 metres in 21 targets. The depth of the holes ranged from 150 and 300 metres.

Drill program will be followed by an extensive underground development program to delineate a resource and to drift along the vein structures and begin engineering studies to possible mine the Gladys pit in the near term.

The company is working with possible JV partners to advance this project

Granja Nueva Project

Vena acquired the Granja Nueva copper/gold mineral concessions totaling 2,800 hectares from the Ministry of Energy and Mines of Peru. The Company is in the process of assembling an exploration team to confirm the historical data and expand our geological knowledge of Granja Nueva leading to a drilling campaign. Previous geological work performed by Cambior identified five targets within the area: El Pozo; Rumichaca; El Rejo; Totoral; and La Chonta. Further technical updates related to project developments will be reported after field confirmation programs.

Granja Nueva is adjacent to Rio Tinto's world-class La Granja project in northern Peru. Rio Tinto acquired La Granja in December 2005 from the Peruvian government via an open bid process. Prior to Rio Tinto's ownership, La Granja was owned by Cambior which reported several billion pounds of copper in-situ.

Granja Nueva is an early stage exploration project in an area of northern Peru where some of the largest copper porphyries and/or gold high sulfidation deposits have been found to date. This area is actively being explored and developed by several multi-national companies including Rio Tinto, Newmont, Buenaventura, Goldfields, CVRD, and Southern Copper. Michiquillay a world class copper/gold project is also located in this region of Peru and has recently being purchased by Anglo American for US\$403 million dollars. A number of junior companies have advanced exploration projects including Candente's Canariaco and Northern Peru Copper's Galeno project.

Coal Project

Vena Resources Inc. announced an initial investment in "Sudamericana de Carbon S.A." (SDC), which is a Peruvian company focused on the exploration, development and processing of anthracite coal in Peru. Vena's investment of up to \$2.5 million over three years to obtain 70% of SDC will be used to speed up

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the scoping study for the installation of anthracite washing plant in Peru, explore Vena's northern Peru properties where anthracite is known to be available with the goal of identifying a NI 43-101 compliant coal resource, and to purchase an anthracite washing plant based on the results from the scoping study. SDC is currently selling run of mine anthracite coal to the local market on a small scale.

On August 13, 2008, Vena announced the acquisition of 100% interest in SDC. In lieu of the US\$2.5 million investment, the terms to acquire the remaining 30%, were agreed upon by issuing 662,502 common shares of Vena Resources Inc. and 200,000 warrants to each of the three founders of SDC with an exercise price of \$0.60 per option.

Esquilache Project

The Company has signed a joint venture agreement with Apex Silver adding the historical Esquilache underground silver mine (1,000 hectares) to the 24,000 hectare package 100% already owned by Vena in Puno, Peru.

Vena has committed to pay US\$300,000 over three years and to invest US\$1.5 million in exploration activities to earn 60% of the JV project. The Company can increase its ownership of the JV project to 70% when a feasibility study is completed. Vena has an additional two years to complete this study.

Esquilache is a very large (25,000 hectares) exploration project in Puno, Peru. For the last six months Vena has been exploring Esquilache while staking additional areas. A large geophysics program was completed (130,000 metres) recently and an extensive geochem program is on-going to define the drill program with the permit process to commence shortly thereafter.

The mineralized structures are stockworks and rosary-type veins with varying dimensions from centimeters to over five meters in width and outcropping over 1.2 km in length. The oxide part in some of these structures had been exploited since the colonial days as previously reported in the Creston zone.

Thus far Vena is pleased to report that seven new significant polymetallic drill targets have been identified in the Mamacocha zone (Carmen, Candelaria, Silvia, San Martin, Santa Elena, Mamacocha, and Veronica) where 920 geochem samples have been gathered including a systematic channel sampling program that has returned values

This is a major, mineralized hydrothermal system. On site, widespread limonite colouration extends over an area of tens of square kilometres and persists through a vertical interval of 500m.

There has been substantial production of silver and lead, commencing some time before 1679. Records of the production history are incomplete, but mining probably became sporadic from quite early in the history of the Republic until the 1940s. Modern mining, by Hochschild, lasted from 1953 - 1963. Since then, apart from minor scavenging operations, the mine has lain dormant.

There has never been diamond drilling from surface, anywhere in the mine area, or in the surrounding alteration zone.

The logistics of the property are highly favourable. An excellent dirt road allows travel to Puno by SUV in 2¼ hours. A new road link via nearby Pichacane, soon to be completed, will reduce this time considerably.

There is already an electricity supply (10,000 or 12,000 v) from the regional grid. Water supply is not a problem.

All required permits have been approved for an upcoming drill program.

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Aucapampa Property

The property is located in the country of Peru on the west coast of South America. Peru is divided in 24 Departments which are each further subdivided into several provinces. The property is located in the Department of Apurimac, and was written off in April 2008.

The property is approximately 348 kilometres from the community of Nazca which is in turn located approximately 420 kilometres south of Lima on the PanAmerican Highway. Approach to the property can be made to within 38 kilometres via asphalt, all-weather highway.

The property comprises 2,970 hectares of mining concessions. The three concessions are registered under the legal names of Nueva Alicia 1, Nueva Alicia 2 and Nueva Alicia 3.

The Aurora Project

On March 23, 2005, Vena signed a purchase option agreement with Sociedad Minera Parobamba II (Parobamba), a private Peruvian company, for its Aurora copper-molybdenum project in Peru. The Aurora project, located in the Department of Cusco at an elevation of approximately 2,500 metres was previously explored by Bear Creek Mining who completed a US\$300,000 program of 6 diamond drill holes. It is particularly attractive due to the relatively high grades of molybdenum and the potential for gold and silver values which were not assayed for in the previous exploration campaign. As at May 2008, this property was written off.

The Aurora property is within the Yauri-Andahuaylas metalogenic corridor which is well known for its copper-gold porphyry and skarn deposits. The BHP Billiton Tintaya mine is perhaps the best known of these deposits.

5. Capital Resources, Capital Expenditures and Liquidity

The Company's working capital was \$402,013 as at September 30, 2009, which is a decrease of \$440,340 from December 31, 2008 working capital of \$1,298,794. This decrease is mainly due to a more aggressive exploration campaign. In addition the Company expects to sell non-core assets to raise more funds while continuing its cost management program.

On November 13, 2009, the Company announced that it has closed a private placement through the issuance of 7,564,668 units for gross proceeds of \$2,269,400 at \$0.30 each unit. Each Unit comprises one common share and one-half common share purchase warrant with each full warrant entitling the holder to purchase one common share at \$0.45 per share for a period of 18 months. The Company \$147,511.02 and issued 491,703 broker warrants exercisable at \$0.36 per common share for period of 18 months as commission.

Cameco will invest during the fiscal year 2009 up to \$2,500,000 in developing the uranium concessions; during the next three months the Company will recover from the Peruvian government approximately US\$250,000 from past VAT based on a signed agreement and in accordance to the current mining Law in Peru. These two transactions will improve the current working capital of The Company in order to maintain current level of explorations and development of the properties in Peru.

During the nine month period ended September 30, 2009, the Company received \$52,395 from the exercise of 249,500 stock options. The Company recorded \$187,010 in contributed surplus additions on the fair market valuation using the Black-Scholes pricing model of 1,100,000 granted options during this period.

During the nine month period ended September 30, 2009, the Company had Mineral properties and Deferred Expenditures of \$28,239,408 compared to \$19,610,892 at December 31, 2008. The variance is due to exploration and mine development cost in the Uranium concession.

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During the nine month period ended September 30, 2009, the Company had Capital Assets of \$4,247,740 compared to \$6,111,191 in December 31, 2008. Vena spent \$36,853 in capital assets over this period and sold capital assets worth \$915,961.

On-going commitments for capital resources relate largely to the maintenance of the mineral permits. Under Peruvian law, the concessions remain in good standing as long as the annual registration payments (\$3.00 per hectare) are received by June of each year. One grace year is added in the event of a delinquent payment. The Company will spend the funds available to it to further its stated business objectives. Specifically, the available funds will be spent to explore and develop its two principal mining properties in Peru and to make property payments on all of its properties in Peru. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives.

The Company is dependent on obtaining future financings for the exploration and development of its properties and for the acquisition of any new projects. There is no assurance that such financings will be available when the Company requires them, or under terms that are favourable.

6. Selected Financial Information

The information below should be read in conjunction with the management's discussion and analysis, the consolidated financial statements and related notes and other financial information. The following is for the periods ended:

	Nine months ended September 30, 2009	Year ended December 31, 2008 (15 month period)	Year ended September 30, 2007
	\$	\$	\$
Total revenue	(2,014)	(426,707)	(1,469,621)
Loss	737,710	4,828,737	7,841,392
Loss (income) per share	0.009	0.065	0.126
Total assets	37,626,721	32,910,534	26,950,797

Results for the three months ended:

	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008
	\$	\$	\$	\$
Total revenue	(7)	-	(2,007)	(299,488)
Loss (gain)	1,477,485	(351,183)	(388,592)	(3,278,565)
Loss (gain) per share	0.018	(0.006)	(0.004)	(0.044)

	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007
	\$	\$	\$	\$
Total revenue	39,150	96,320	185,441	405,284
Loss	2,647,082	2,401,616	2,142,133	916,471
Loss per share	0.035	0.034	0.029	0.013

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Related Party Transactions

The following is a summary of the related party transactions of the Company during nine month period ended September 30, 2009.

The Company was charged \$72,000 for consulting services, by Andres Tinajero, Chief Financial Officer. Mr. Tinajero is retained by the Company through a consulting Agreement.

Juan Vegarra, Chairman and Chief Executive Officer and director, charged the Company \$157,500. Mr. Vegarra is retained by the Company through a consulting Agreement.

CMA Corporate Management Associates ("CMA") charged the Company a total of \$16,500 for consulting services of Charlotte May. Charlotte May, officer of the Company, beneficially owns CMA.

Bikalumi SA ("BSA") charged the Company a total of \$49,527 for office rental and staff support.

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

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, sundry receivables, GST, accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair values of these financial instruments approximate their carrying values.

Dividends

The Corporation has neither declared nor paid any dividends on its Common Shares. The Corporation intends to retain its earnings, if any, to finance growth and expand its operation and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

Assessment of Recoverability of Mineral Property Costs

The Company's recorded value of its exploration properties is based on historical costs that expect to be recovered in the future. The Company's recoverability evaluation is based on market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale.

Assessment of Recoverability of Future Income Tax Assets

In preparing the consolidated financial statements, the Company is required to estimate its income tax obligations. This process involves estimating the actual tax exposure together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. The Company assesses, based on all available evidence, the likelihood that the future income tax assets will be recovered from future taxable income and, to the extent that recovery cannot be considered "more likely than not," a valuation allowance is established. If the valuation allowance is changed in a period, an expense or benefit must be included within the tax provision on the consolidated income statement.

Estimate of Stock Based Compensation and Associated Assumptions

The Company recorded stock-based compensation based on an estimate of the fair value on the grant date of stock options issued. This accounting required estimates of interest rate, life of options, stock price volatility and the application of the Black-Scholes option pricing model. See note 9 of the September 30, 2009, unaudited consolidated financial statements for a full disclosure.

Assessment of Recoverability of Receivables Including VAT

The carrying amount of accounts receivables, and Value Added Tax are considered representative of their respective values. The Company assesses the likelihood that these receivables will be recovered

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and, to the extent that recovery is considered doubtful a provision for doubtful accounts is recorded. The Company signed an agreement with the Peruvian Minister of Energy and Mines by which The Company will get reimbursed for any VAT incurred in exploration activities. The Company will recover from the Peruvian government approximately US\$800,000 from past VAT.

7. Critical Accounting Policies

Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of all entities controlled by the Company. The effects of all transactions between entities in the consolidated group are eliminated in full. Where control of an entity is obtained during a financial year, its results are included in the consolidated statements of operations and deficit from the date on which control commences. Where control of an entity ceases during a financial year, its results are included for that part of the year during which control exists.

Income Tax

The Company accounts for income taxes in accordance with the asset and liability method. The determination of future income tax assets and liabilities is based on the differences between the financial statement and the income tax bases of assets and liabilities, using substantively enacted tax rates in effect for the period in which the differences are expected to reverse. Future income tax assets are recorded to recognize tax benefits only to the extent that, based on available evidence, it is more likely than not that they will be realized.

Exploration and Evaluation Costs

Exploration and evaluation expenditure costs incurred by the Company are accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead and foreign exchange movement on loans directly attributable to the project, but does not include general overheads or administrative expenditure. Mineral property acquisition costs are capitalized. Exploration and evaluation expenditure for each area of interest is expensed as incurred, unless such costs are expected to be recovered through successful development and exploitation of the area of interest or, alternatively, by its sale. Expenditure is not deferred in respect of any area of interest or mineral resource unless the Company's rights of tenure to that area of interest are current.

Foreign Currency Translation

The Company employs the temporal method of translation for its integrated operations. Under this method, monetary assets and liabilities are translated at the year-end rates and all other assets and liabilities are translated at applicable historical exchange rates. Revenue and expense items are translated at the rate of exchange in effect at the date the transactions are recognized in income, with the exception of amortization which is translated at the historical rate for the associated asset. Realized exchange gains and losses and currency translation adjustments are included in income. The Company does not have any self sustaining operations.

Capital Assets

The cost of each item of capital assets is amortized on a straight line basis over its expected useful life to the Company. The expected useful lives of plant and equipment held are between five and ten years.

The carrying value of capital assets is reviewed and where there is an indication of impairment and the carrying values exceed their recoverable amount, they are written down to fair value.

Cash and Cash Equivalents

Cash and cash equivalents are comprised of highly liquid investments with maturity of three months or less at the date of original issue.

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Loss per Share

Basic loss per share is determined by dividing the net loss by the weighted average number of ordinary shares outstanding during the financial period. Diluted loss per share is the same as basic loss per share as the effect of potential issues of shares under option or from warrant exercises would be anti-dilutive.

Asset Retirement Obligations

Future costs to retire an asset including dismantling, remediation and ongoing treatment, and monitoring of the site are recognized and recorded as a liability at fair value. The liability is accreted, over time through periodic charges to earnings. In addition, asset retirement costs are capitalized as part of the asset's carrying value and amortized over the asset's useful life.

The following table summarizes the changes in asset retirement obligation during the period:

	September 30, 2009	December 31, 2008
Opening Balance	560,267	-
Additions	-	560,267
Ending Balance	\$ 560,267	\$ 560,267

At September 30, 2009, management estimates that the total amount of the estimated cash flows required to settle the Company's assets retirement obligation for the Azulcocha property is \$610,000. It is expected that this amount will be incurred over the years 2008 to 2013. The credit adjusted, risk free interest rates used to discount estimated cash flows for liabilities incurred was 5% plus labour.

Accounting Policy Choice for Transaction Costs

On June 1, 2007, the Emerging Issues Committee of the CICA issued Abstract No. 166, Accounting Policy Choice for Transaction Costs (EIC-166). This EIC addresses the accounting policy choice of expensing or adding transaction costs related to the acquisition of financial assets and financial liabilities that are classified as other than held-for-trading. Specifically, it requires that the same accounting policy choice be applied to all similar financial instruments classified as other than held-for-trading, but permits a different policy choice for financial instruments that are not similar. The Company has adopted EIC-166 effective September 30, 2007 and requires retroactive application to all transaction costs accounted for in accordance with CICA Handbook Section 3855, Financial Instruments – Recognition and Measurement. The Company has evaluated the impact of EIC 166 and determined that no adjustments are currently required.

Changes in Accounting Policies Including Initial Adoption

Comprehensive Income, Equity, Financial Instruments and Hedges

On October 1, 2006, the Company adopted CICA Handbook Sections 1530, "Comprehensive Income", Section 3251 "Equity", Section 3855, "Financial Instruments - Recognition and Measurement", Section 3861, "Financial Instruments - Disclosure and Presentation" and Section 3865, "Hedges."

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 that are excluded from net income calculated in accordance with Canadian generally accepted accounting principles.

Section 3855 prescribes when a financial asset, financial liability or non-financial derivative is to be recognized on the balance sheet and at what amount, requiring fair value or cost-based measures under different circumstances. Under Section 3855, financial instruments must be classified into one of these five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are measured in the

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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, as follows: held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net earnings; available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the investment is derecognized or impaired at which time the amounts would be recorded in net earnings.

Section 3861 establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. Under the new standards, policies followed for periods prior to the effective date generally are not reversed and therefore, the comparative figures have not been restated except for the requirement to restate currency translation adjustment as part of other comprehensive income.

Section 3865 describes when and how hedge accounting can be applied as well as the disclosure requirements. Hedge accounting enables the recording of gains, losses, revenues and expenses from derivative financial instruments in the same period as for those related to the hedged item.

The adoption of these Handbook Sections had no impact on the opening deficit.

Future Accounting Changes

Accounting Changes

In July 2006, the Accounting Standards Board ("AcSB") issued a replacement of The Canadian Institute of Chartered Accountants' Handbook ("CICA Handbook") Section 1506, Accounting Changes. The new standard allows for voluntary changes in accounting policy only when they result in the financial statements providing reliable and more relevant information, requires changes in accounting policy to be applied retrospectively unless doing so is impracticable, requires prior period errors to be corrected retrospectively and calls for enhanced disclosures about the effects of changes in accounting policies, estimates and errors on the financial statements.

The impact that the adoption of Section 1506 will have on the Company's results of operations and financial condition will depend on the nature of future accounting changes.

Capital Disclosures and Financial Instruments – Disclosures and Presentation

On December 1, 2006, the CICA issued three new accounting standards: Handbook Section 1535, Capital Disclosures, Handbook Section 3862, Financial Instruments – Disclosures, and Handbook Section 3863, Financial Instruments – Presentation. These standards are effective for interim and annual consolidated financial statements for the Company's reporting period beginning on October 1, 2007.

Section 1535 specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance.

The new Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments — Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. The Company is currently assessing the impact of these new accounting standards on its consolidated financial statements.

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8. Financial Instruments and other Instruments

Net Fair Value of Financial Assets and Liabilities

The Company's financial instruments comprise cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities.

Cash and cash equivalents have been designated as held-for-trading, which are measured at fair value. Accounts receivable is classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities and are classified as other financial liabilities, which are measured at amortized cost.

The Company has made the following classifications:

Cash	Held for trading
Accounts payable and accrued liabilities	Other liabilities
Investment	Held to maturity
Due to related parties	Other liabilities

Financial Instrument Risk Exposures

It is management's opinion that the Company is not exposed to significant interest or credit risks arising from its financial instruments and that their fair values approximate their carrying value unless otherwise noted. Fluctuation in currency exchange rates, principally the Canadian/US dollar exchange rate and, to a lesser extent, other exchange rates, can impact Vena's earnings and cash flows. All of Vena's sales are denominated in US dollar, whereas certain obligations and operating expenses are denominated in Canadian dollar and Peruvian Nuevo Sol. If the value of the Canadian dollar increases relative to the US dollar; Vena's results of operations, financial condition and liquidity could be materially adversely affected.

Risks and Uncertainties

Political Risk

All of the properties are located in Peru and, accordingly, the Company is subject to risks normally associated with exploration for and development of mineral properties in Peru. In addition, Peru is a developing country that has experienced political and economic difficulties over the years. Vena's mineral exploration activities could be affected in varying degrees by such political instability and government regulation relating to foreign investment and the mining business. Operations may also be affected in varying degrees by terrorism, military conflict or repression, crime, extreme fluctuations in currency rates and high inflation.

Vena's ability to conduct future exploration and development activities is subject to changes in government regulations and shifts in political attitudes over which Vena has no control.

There is social unrest in Peru resulting from high expectations of an improvement of living standards and high levels of unemployment. Protesters have targeted foreign firms in the mining sector in recent years. The Azulcocha property is situated in historical mining districts, in areas which have not experienced any significant civil unrest to date. However, there can be no assurance that future social unrest will not have an adverse impact on Vena's operations.

Business Risk

There are numerous business risks involved in the mineral exploration industry, some of which are outlined below. Vena does not currently own 100% of the two mineral concessions contained in the Las Princesas property. Similarly, any non-compliance with or non-satisfaction of the terms of the Option by Vena could affect its ability to exercise the Option and earn its interest in the mining concessions and assets relating to the property.

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In Peru, mining concessions do not include surface rights and there can be no assurance that Vena will be successful in negotiating long term surface rights access agreements in respect of the properties. Failure to obtain surface rights could have an adverse impact on Vena's future operations.

Vena's current or future operations, including development activities, are subject to environmental regulations which may make operations not economically viable or prohibit them altogether.

The success of the operations and activities of Vena is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgement, as well as the expertise and competence of the outside contractors, experts and other advisors. Vena does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect Vena's operations and financial performance.

Interest Rate Risk

The Company entered into an Agreement with Scotia Bank Peru in July 2008, under which Scotia Bank Peru provided a lease-back on the Azulcocha fixed assets over a period of 36 months. As at December 31, 2008 the balance is \$4,772,001. The Company invests cash surplus to its operational needs in investment-grade short term deposits certificates issued by the bank where it keeps its Canadian Bank accounts. The Company periodically assesses the quality of its investments with this bank and is satisfied with the credit rating of the bank and the investment grade of its short term deposits certificates.

Foreign Currency Risk

The Company's exploration and evaluation activities are substantially denominated in Canadian and US dollars. The Company's funds are predominantly kept in Canadian dollars, with a major Canadian financial Institution.

The Company functional currency is Canadian dollar and major purchases are transacted in Canadian dollars, Peruvian New Soles and American dollars. The Corporation funds major operations and exploration expenses in Peru, therefore the Company maintains Peruvian New Soles bank accounts in Peru. Management believes that foreign currency risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk. During the nine month period ended September 30, 2009, the Company recorded a non-cash loss of \$161,309 (2008 – loss of \$1,795,765) which reflects the volatility in the current foreign exchange market against Canadian dollar and due the variances in balance sheet from year to year.

The table below summarizes the effects on foreign exchange gains and losses as a result of a 10% change in the value of the foreign currencies against the Canadian dollar where the Company has significant exposure. The analysis assumes all other variables remain constant.

Sensitivity analysis

The Company has designated its cash and cash equivalents as held for trading, which is measured at fair value; the carrying amount of the financial instruments equals fair market value.

Management believes that, based on their knowledge and experience of financial markets, the following sensitivity analysis is appropriate for its cash and cash equivalents and its exposure to foreign exchange risk: The Company's funds are held primarily in short term investments grades deposits, the rates of which are fixed for a period not exceeding three months. The Company accounts for temporal movements in US dollar exchange rate for all items measured at historical cost on its balance sheet, by including such changes as a change or gain to its income statement

Commodity Price Risk

The price of the common shares in the capital the Company ("Common Shares"), its financial results, exploration and development activities have been, or may in the future be, adversely affected by declines in the price of gold and/or other metals. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central

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banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from mining and sale of precious and base metals or interests related thereto. The effect of these factors on the price of precious and base metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

Additional Capital

The exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favorable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

Environmental and Permitting

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Acquisition

The Company uses its best judgment to acquire mining properties for exploration and development in pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. The Company can not assure that it can complete any acquisition that it pursues or is currently pursuing, on favorable terms, or that any acquisition completed will ultimately benefit the Company.

Competition

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospectus for mineral exploration in the future.

Internal Control over Financial Reporting

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

During the most recent quarter end there were no changes in the Company's internal control over financial reporting that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Proposed Transactions

In the normal course of business, as and ongoing part of the exploration process, the Company investigates mineral properties which are submitted to the Board of Directors for consideration. As well there are transactions listed in the "Subsequent to the end of the period" section of the Financial Statements. However, the Company continues to evaluate, review and negotiate a number of other prospective projects in Peru.

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Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Corporation's President and Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure. As at the end of the year covered by this management's discussion and analysis, management of the Corporation, with the participation of the President and Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Corporation's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the President and Chief Executive Officer and the Chief Financial Officer have concluded that, as of the end of the period covered by this management's discussion and analysis, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Corporation's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Corporation, including the President and Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

9. Status of Vena Resources Inc's Transition to International Financial Reporting Standards ("IFRS")

The AcSB has confirmed that IFRS will replace current Canadian GAAP for publicly accountable enterprises, effective for fiscal years beginning on or after January 1, 2011. Accordingly, the Company will report interim and annual financial statements (with comparatives) in accordance with IFRS beginning with the quarter ended March 31, 2011.

The Company has commenced the development of an IFRS implementation plan to prepare for this transition, and is currently in the process of analyzing the key areas where changes to current accounting policies may be required. While an analysis will be required for all current accounting policies, the initial key areas of assessment will include:

- Exploration and development expenditures;
- Property, plant and equipment (measurement and valuation);
- Provisions, including asset retirement obligations;
- Stock-based compensation;
- Accounting for joint ventures;
- Accounting for income taxes; and
- First-time adoption of International Financial Reporting Standards (IFRS 1).

As the analysis of each of the key areas progresses, other elements of the Company's IFRS implementation plan will also be addressed, including: the implication of changes to accounting policies and processes; financial statement note disclosures on information technology; internal controls; contractual arrangements; and employee training. The table below summarizes the expected timing of activities related to the Company's transition to IFRS.

Initial analysis of key areas for which changes to accounting policies may be required.	In progress, expected to be complete during Q4 2009
Detailed analysis of all relevant IFRS requirements and identification of areas requiring accounting policy changes or those with accounting policy alternatives.	Throughout 2009

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Assessment of first-time adoption (IFRS 1) requirements and alternatives.	Throughout 2009
Final determination of changes to accounting policies and choices to be made with respect to first-time adoption alternatives	Q4 2009 – Q1 2010
Resolution of the accounting policy change implications on information technology, internal controls and contractual arrangements	Q4 2009 – Q2 2010
Management and employee education and training	Throughout the transition process
Quantification of the Financial Statement impact of changes in accounting policies	Throughout 2010

Due to resource constraints the Company has not performed any additional assessment work related to its IFRS conversion project during the quarter ended September 30, 2009. The Company must still establish a team that will focus its efforts on this initiative. The Company's search for additional staff for this project is on-going and more IFRS training will be needed for all levels of management. Despite these limitations in personnel, Management has made an initial assessment of the accounting standards that will be impacted by the transition to IFRS. Readers are encouraged to refer to the Company's annual MD&A for the year ended December 31, 2008, filed on the Company's website and on www.sedar.com, for discussion on key impact areas.

The Company will follow the key events timeline proposed by the AcSB to obtain training and thorough knowledge of IFRS, and continue its assessment of accounting policies with reference to IFRS and plan for convergence to be ready for the 2011 changeover.

10. Forward-Looking Statements

This Management's Discussion and Analysis includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry (including operational risks in exploration development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of Vena to obtain all permits, consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of Vena to fund the capital and operating expenses necessary to achieve the business objectives of Vena, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by Vena. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of Vena should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" are deemed to be forward-looking statements, as they

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involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this document are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

11. Management's Responsibility

Management is responsible for all information contained in this report. The unaudited consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include amounts based on management's informed judgments and estimates. The financial and operating information included in this report is consistent with that contained in the audited consolidated financial statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

External auditors, appointed by the shareholders, have not examined the consolidated financial statements for the period ended September 30, 2009.

The Audit Committee has reviewed the unaudited consolidated financial statements with management. The Board of Directors has approved the unaudited consolidated financial statements on the recommendation of the Audit Committee.

Andres Tinajero
Chief Financial Officer

November 13, 2009



Vena Resources Inc.

**Interim Consolidated
Financial Statements** *(unaudited)*

**For the period ended
September 30, 2009**

Notice of no Auditor Review Financial Statements

Under National Instrument 51-102, Part 4, Subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's Management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited consolidated financial statements of Vena Resources Inc. were prepared by management in accordance with Canadian generally accepted accounting principles. The most significant of these accounting principles have been set out in the December 31, 2008 audited consolidated financial statements. Only changes in accounting policies have been disclosed in these unaudited interim consolidated financial statements. Management acknowledges responsibility for the preparation and presentation of the period end unaudited interim consolidated financial statements, including responsibility for significant accounting judgements and estimates and the choice of accounting principles and methods that are appropriate to the Corporation's circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for ensuring that management fulfills its financial reporting responsibilities and for reviewing and approving the period end unaudited interim consolidated financial statements together with other financial information. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the internal controls over the financial reporting process and the period end unaudited interim consolidated financial statements together with other financial information of the Corporation. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the period end unaudited interim consolidated financial statements together with other financial information of the Corporation for issuance to the shareholders.

Management recognizes its responsibility for conducting the Corporation's affairs in compliance with established financial statements, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Vena Resources Inc.

Consolidated Balance Sheet (unaudited)
(Expressed in Canadian Dollars)

As at	September 30, 2009	December 31, 2008
Assets		
Current		
Cash and cash equivalents	\$ 1,098,679	\$ 1,834,063
Cash – restricted (Note 6)	171,497	1,835,799
GST and foreign sales taxes recoverable	183,672	491,171
Inventory	6,360	7,235
Prepaid expenses	1,098,255	83,981
	2,558,463	4,252,249
Cash – restricted funds (Note 6)	2,581,110	2,936,202
Mineral properties and deferred expenditures (Note 4)	28,239,408	19,610,892
Capital assets (Note 5)	4,247,740	6,111,191
	\$ 37,626,721	\$ 32,910,534
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 1,984,953	\$ 1,874,097
Current portion of sale leaseback obligation (Note 6)	171,497	1,835,799
	2,156,450	3,709,896
Provision for mine closure (Note 11)	560,267	560,267
Long-term portion of sale leaseback obligation (Note 6)	2,581,110	2,936,202
Minority interest	6,971,931	90,870
	12,269,758	7,297,235
Shareholders' Equity		
Capital Stock (Note 9)	33,295,190	32,983,273
Contributed Surplus (Note 10)	12,495,916	12,326,459
Deficit	(20,434,143)	(19,696,433)
	25,356,963	25,613,299
	\$ 37,626,721	\$ 32,910,534

Nature of Operations and Going concern (Note 1)
Subsequent Events (Note 17)
Commitments (Note 15)

The accompanying notes are an integral part of these financial statements

Vena Resources Inc.

Consolidated Statements of Operations, Comprehensive Loss and Deficit
(Expressed in Canadian Dollars)

	Three months ended September 30, 2009	Three months ended September 30, 2008	Nine months ended September 30, 2009	Nine months ended September 30, 2008
Sales	\$ -	\$ 38,302	\$ -	\$ 265,437
Cost of Sales	-	(3,653)	-	(48,508)
Gross Profit	\$ -	\$ 34,649	\$ -	\$ 216,929
Administrative expenses				
Stock-based compensation (Note 9)	36,510	-	187,010	325,010
Consulting	115,095	312,975	292,095	756,461
Salaries and benefits	-	531,721	20,226	1,134,992
Professional fees	23,067	9,854	94,117	82,202
Travel	7,628	56,991	35,720	142,337
Office and general	139,326	339,162	495,340	624,191
Amortization	143,208	192,741	324,568	584,819
Shareholder information	30,984	111,493	91,955	272,120
Foreign exchange loss (gain)	1,029,974	1,129,930	161,309	1,795,765
Loss and comprehensive loss before interest income, minority interest and write-down	\$ 1,525,792	\$ 2,650,218	\$ 1,702,340	\$ 5,500,968
Minority interest (Cameco investment in Minergía S.A.C)	(48,307)	(3,136)	(48,669)	(34,066)
Sale of capital assets	-	-	(915,961)	-
Write-down of mineral properties and deferred expenditures (Note 4)	-	-	-	1,723,929
(Income) Loss and comprehensive (income) loss	1,477,485	2,647,082	737,710	7,190,831
Deficit, beginning of period	18,956,658	20,327,916	19,696,433	15,784,167
Deficit, end of period	\$ 20,434,143	\$ 22,974,998	\$ 20,434,143	\$ 22,974,998
Loss per share	1.8¢	3.5¢	0.9¢	11.3¢
Weighted average number of shares outstanding - basic	80,246,002	75,055,996	79,900,635	72,776,201
- diluted	81,706,002	76,960,970	81,360,635	72,776,201

The accompanying notes are an integral part of these financial statements

Vena Resources Inc.

Consolidated Statements of Cash Flow *(unaudited)*

	Three Months Ended September 30, 2009	Three Months Ended September 30, 2008	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2008
OPERATING ACTIVITIES				
Income (Loss)	\$ (1,477,485)	\$ (2,647,082)	\$ (737,710)	\$ (7,190,831)
Non-cash items::				
Stock-based compensation	36,510	-	187,010	325,010
Unrealized foreign exchange gain (loss)	(422,308)	(153,908)	(394,793)	23,740
Minority interest	(48,307)	(3,136)	(48,669)	(34,066)
Amortization	143,208	192,741	324,568	584,819
Sale of capital assets	-	-	915,961	-
Write-down of mineral properties and deferred expenditures	-	-	-	1,723,929
Net change in non-cash working capital :				
Inventory	875	-	875	38,511
Accounts receivables	-	(164,276)	-	(239,290)
GST and foreign sales tax recoverable	1,287,485	678,929	307,499	(626,317)
Prepaid expenses and deposits	106,018	(1,028,253)	(1,014,274)	(982,410)
Accounts payable and accruals	450,062	7,724,787	110,856	8,806,027
	76,058	4,599,802	315,323	2,429,122
INVESTING ACTIVITIES				
Additions to mineral properties (Note 4)	(7,639,112)	(2,223,606)	(8,386,547)	(4,609,906)
Additions to capital assets	-	(78,894)	(36,853)	(2,261,752)
Investment in Sudamericana de Carbon S.A.C.	-	23,016	-	(287,295)
	(7,639,112)	(2,279,484)	(8,423,400)	(7,158,953)
FINANCING ACTIVITIES				
Cameco investment in Minergía S.A.C. (Note 4)	6,929,025	843,894	6,929,025	843,894
Issuances of common shares, net of issue costs	26,145	3,500,000	52,395	5,084,560
	6,955,170	4,343,894	6,981,420	5,928,454
Foreign exchange gain (loss) on cash held in foreign currency	418,788	120,908	391,273	226,722
Net increase (decrease) in cash and cash equivalents	(189,196)	6,785,120	(735,384)	(1,874,094)
Cash and cash equivalents, beginning of period	1,287,875	1,580,457	1,834,063	10,239,671
Cash and cash equivalents, end of period	\$ 1,098,679	\$ 8,365,577	\$ 1,098,679	\$ 8,365,577

The accompanying notes are an integral part of these financial statements

Vena Resources Inc.
Notes to the Unaudited Consolidated Financial Statements
For the Nine Months Ended September 30, 2009

General

Vena Resources Inc. (Vena or the Company) was incorporated under the laws of the Province of Ontario, Canada. Its principal business activities are that of mineral exploration and production in Peru.

In June 2008, the Company decided to change the fiscal year-end of the Company from September 30 to December 31. This change was undertaken so that the Canadian parent company's financial year end is co-terminous with those of its Peruvian subsidiaries' fiscal year end of December 31.

1. Nature of Operations and Going Concern

Vena is in the process of exploring its mineral properties and has not yet determined whether all the properties contain economically recoverable reserves. The business of mining for minerals involves a high degree of risk. The underlying value of the mineral properties is dependant upon the existence and economic recovery of mineral reserves, the ability to raise long-term financing to complete the development of the properties, government policies and regulations, and upon future profitable production or, alternatively, upon Vena's ability to dispose of it's interest on an advantageous basis; all of which are uncertain.

The Company is in the process of exploring and evaluating its mineral properties. On the basis of information to date, it has not yet determined whether these properties contain economically recoverable mineral deposits. The amounts shown as mineral properties and deferred expenditures represent costs incurred to date, less amounts amortized and/or written off, and do not necessarily represent present or future values. The underlying value of the mineral properties is entirely dependent on the existence of economically recoverable reserves, securing and maintaining title and beneficial interest, the ability of the Company to obtain the necessary financing to complete development, and future profitable production.

At September 30, 2009 the Company had working capital of \$402,013 had not yet achieved profitable operations, has accumulated losses of \$20,434,143 and expects to incur further losses in the development of its business, all of which casts substantial doubt upon the Company's ability to continue as a going concern. Vena will require additional financing in order to conduct its planned work programs on mineral properties, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due.

These financial statements have been prepared on a going-concern basis which assumes that the Company will be able to realize assets and discharge liabilities in the normal course of business. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used then the adjustments required to report Vena's assets and liabilities on a liquidation basis could be material to these financial statements.

2. Summary of Significant Accounting Policies

These unaudited interim consolidated financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). The preparation of financial data is based on accounting policies and practices consistent with those used in the preparation of the Company's audited annual consolidated financial statements for the year ended December 31, 2008, except as described in changes in accounting policies. The accompanying unaudited interim financial statements should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended December 31, 2008, as they do not contain all disclosures required by Canadian GAAP for annual financial statements.

In the opinion of management, all adjustments necessary to present fairly the financial position of the Company as at September 30, 2009 and results of its operations and cash flows for all periods presented have been made. The interim results are not necessarily indicative of results for a full year.

Vena Resources Inc.
Notes to the Unaudited Consolidated Financial Statements
For the Nine Months Ended September 30, 2009

2. Summary of Significant Accounting Policies (continued)

Principles of Consolidation

The consolidated financial statements include the accounts of the Company together with its wholly-owned subsidiaries Vena Resources (2004) Inc., Compania Vena Peru S.A.C., Inca Gold Company S.A.C., Pukara Mining S.A.C., Compania Minera Milagros del Socorro S.A.C., Contratistas Cordillera S.A.C., Sudamericana de Carbon S.A.C., Compania Nueva Princesa S.A.C. and 75% of Minergia S.A.C. These statements also include the accounts of the 77% owned subsidiary Compania Nueva Princesa S.A.C.

Foreign Currency Translation

Vena uses the temporal method of foreign currency translation in accounting for its integrated foreign operations. Under this method foreign currency denominated monetary assets and liabilities are translated into Canadian dollars at the exchange rate prevailing at the balance sheet date while non-monetary assets and liabilities are translated into Canadian dollars at the exchange rate prevailing on the date of the transaction. Revenue and expenditures denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing on the date of the transaction. Foreign exchange gains and losses arising from the translation of these foreign currency denominated transactions are reflected in operations for the period.

Mineral Properties and Deferred Expenditures

Vena defers the costs of exploration and capital assets on existing projects and carries them as assets until production commences. Mineral properties and the deferred exploration expenditures are recorded at cost and do not necessarily reflect present or future values. If a project is successful, the related mineral properties and deferred exploration expenditures will be amortized over the estimated economic life of the project. If a project is unsuccessful, or if exploration has ceased because continuation is not economically feasible, the mineral properties and the related deferred exploration expenditures are written off.

Cash and Cash Equivalents

Cash and cash equivalents include short-term investments having an original maturity of less than or equal to ninety days.

Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization is computed using the straight-line method at the following annual rates:

Machinery and transport units	20%
Furniture and fixtures	10%
Building	3%
Various equipment	25% and/or 10%

Income Taxes

Vena follows the liability method of accounting for income taxes. Under this method, future tax liabilities and assets are recognized for the estimated tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases. Future tax liabilities and assets are measured using enacted tax rates. The effect on future tax liabilities and assets of a change in tax rates is recognized in the period that the change occurs.

Loss per Share

Basic loss per share is calculated by using the weighted average number of common shares outstanding during the year. Diluted loss per share is determined by using the treasury stock method. Under this method, warrants and options are considered dilutive when the average stock market price of Vena's common shares exceeds the exercise price of options and warrants issued and outstanding. Diluted loss per share is not presented as the amount is anti-dilutive.

2. Summary of Significant Accounting Policies (continued)

Stock-Based Compensation

Vena has a stock-based compensation plan for its directors, officers, key employees and consultants to the Company. Vena records stock-based compensation using the fair value method. Under this method, stock-based payments are measured at the fair value of the equity instruments issued, and are amortized over the vesting period. The offset to the recorded cost is to contributed surplus.

Revenue Recognition

Revenue is recognized at the time that the crushed ore, concentrate and minerals are delivered to a rail yard, which is the time that title transfers. The contained metal in the crushed ore shipped is assayed and, pursuant to sales contracts, the appropriate negotiated amount of recoverable metal contained therein, is recorded as revenue. The crushed ore is sold under contracts that provide for final prices that are determined by quoted market prices in a period subsequent to the date of sale. Variations from the provisionally priced sales are recognized as revenue adjustments as they occur until the price is finalized. Provisional pricing is based upon market prices in the month of recognition.

Interest income is recognized at the yield rate of the investments on an accrual basis.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Impairment of Long-lived Assets

Vena reviews mineral properties and deferred costs for impairment on a periodic basis or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment losses on long-lived assets are recognized when events or changes in circumstances indicate that the undiscounted cash flows estimated to be generated by such assets are less than their carrying value and, accordingly, all or a portion of such carrying value may not be recoverable. Impairment losses then are measured by comparing the fair value of assets to their carrying amounts.

Mine closure and site restoration

The fair value of a liability for mine closure and site restoration, also known as an asset retirement obligation, is recognized commencing the year in which the mine reaches full commercial production. When a liability is initially recorded, a corresponding increase to the carrying amount of the related asset is recorded. The asset is amortized on a unit-of-production basis over the estimated life of the mine and the liability is increased, through accretion, by the interest factor that was applied in the initial measurement of fair value. Vena will make periodic assessments as to the reasonableness of its mine closure and site restoration obligation.

Inventory

Pre-production inventory includes ore mined and brought to surface from a mine that has not achieved commercial production and is valued at the lower of cost and net realized value.

Comprehensive Income

Section 1530 – “Comprehensive Income” introduces the concept of comprehensive income to Canadian GAAP. Comprehensive income is the change in equity (net assets) of the Company during a reporting period from transactions and other events and circumstances from non-owner sources. It includes all changes to equity during a period except those resulting from investments by owners and distributions to owners. Comprehensive income is comprised of net income for the period and other comprehensive income.

Financial Instruments

Section 3855 – “Financial Instruments – Recognition and Measurement” prescribes when a financial asset, financial liability, or non-financial derivative should be recognized on the balance sheet as well as its measurement amount. This section also specifies how financial instruments gains and losses are to be presented.

Vena Resources Inc.
Notes to the Unaudited Consolidated Financial Statements
For the Nine Months Ended September 30, 2009

2. Summary of Significant Accounting Policies (continued)

Hedging

Section 3865 of the CICA Handbook specifies the circumstances under which hedge accounting is permissible and how hedge accounting may be performed. As at September 30, 2009, the Company had no hedges in place.

New Accounting Standards

On December 1, 2006, the CICA issued three new accounting standards: Capital Disclosure (Handbook Section 1535); Financial Instruments Disclosures (Handbook Section 3862); and Financial Instruments Presentation (Handbook Section 3863). Vena was required to adopt these new standards effective October 1, 2007.

Capital Disclosures

Handbook Section 1535 specifies the disclosures of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance.

The Company's objective when managing capital is to obtain adequate levels of funding to support its exploration activities, to obtain corporate and administrative functions necessary to support organizational functioning and obtain sufficient funding to further the identification and development of precious metals deposits.

The Company manages its capital structure in a manner that provides sufficient funding for operational activities. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurance that the Company will be able to continue raising equity capital in this manner.

The Company invests all capital that is surplus to its immediate operational needs in short term, liquid and highly rated financial instruments, such as cash, and short term guarantee deposits, all held with major Canadian financial institutions.

The Company manages its capital to ensure that the Company and its subsidiaries will be able to continue as a going concern while attempting to maximize the return to shareholders through the optimization of a reasonable debt and equity balance commensurate with current operating requirements. The current capital structure consists of cash and shareholders' equity excluding accumulated other comprehensive income (loss). The Company raises capital, as necessary, to meet its needs and take advantage of perceived opportunities and, therefore, does not have a numeric target for its capital structure.

Financial Instruments

Handbook Section 3862 and 3863 replaces Handbook s.3861, Financial Instruments Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risk arising from financial instruments and how the entity manages those risks.

All financial instruments are classified into one of the following five categories: held-for-trading assets or liabilities, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. Held-for-trading financial instruments are measured at fair value and all gains and losses are included in net income in the period in which they arise. Available-for-sale financial instruments are measured at fair value with revaluation gains and losses included in accumulated other comprehensive income until the instruments are derecognized or impaired. Loans and receivables, investments held-to-maturity and other financial liabilities are measured at amortized cost using the effective interest method.

Vena Resources Inc.
Notes to the Unaudited Consolidated Financial Statements
For the Nine Months Ended September 30, 2009

2. Summary of Significant Accounting Policies (continued)

Financial Instruments (continued)

The Company has made the following classifications:

Cash and cash equivalents	Held for trading
Accounts payable and accrued liabilities	Other liabilities
Sales leaseback obligation	Other liabilities

Transaction costs are expensed as incurred for financial instruments classified as held-for-trading. For other financial instruments, transaction costs are expensed on initial recognition.

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the CICA approved EIC 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities". This guidance clarified that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities including derivative instruments. This guidance is applicable to fiscal periods ending on or after January 20, 2009. The application of this new standard had no impact on the Company's operating results or financial position.

Mining and Exploration Costs

In March 2009, the CICA issued EIC Abstract 174 – Mining Exploration Costs ("EIC-174") which supercedes EIC Abstract 126 – Accounting by Mining Enterprises for Exploration Costs ("EIC-126"), to provide additional guidance for mining exploration enterprises on the accounting for capitalization of exploration costs and when an impairment test of these costs is required. EIC-174 is applicable for the Company's interim and annual consolidated financial statements for its fiscal year ending December 31, 2009, with retroactive application. The adoption of EIC-174 did not result in a material impact on the Company's consolidated financial statements.

Section 3863 - Financial Instruments - presentation

This section establishes standards for presentation of financial instruments and non-financial derivatives and provides additional guidance for the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, and the classification of related interest, dividends, losses and gains.

Future Accounting Pronouncements

Section 3064 - Goodwill and intangible assets

Effective January 1, 2009, the Company adopted the new recommendations of CICA Handbook Section 3064, Goodwill and Intangible Assets. This standard establishes revised standards for recognition, measurement, presentation and disclosure of goodwill and intangible assets. Concurrent with the introduction of this standard, the CICA withdrew EIC 27, Revenues and Expenses during the Pre-operating Period. As a result of the withdrawal of EIC 27, the Company will no longer be able to defer costs and revenues incurred prior to commercial production at new mine operations. The adoption of this standard did not have an impact on the Company's consolidated financial statements.

Convergence with International Financial Reporting Standards

The Canadian Institute of Chartered Accountants plans to transition Canadian GAAP for public companies to International Financial Reporting Standards ("IFRS"). The effective changeover date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The impact of the transition to IFRS on the Corporation's consolidated financial statements is not yet determinable.

Other Standards

The CICA issued new accounting standard Section 3031 Inventory which becomes effective for the fiscal year beginning on or after October 1, 2008. Section 3031 establishes standards for the

Vena Resources Inc.
Notes to the Unaudited Consolidated Financial Statements
For the Nine Months Ended September 30, 2009

2. Summary of Significant Accounting Policies (continued)

measurement of inventories, allocations of overhead, accounting for write-downs and disclosures. The Corporation has determined that this new standard will have no material impact on the financial statements.

Accounting policies to be implemented effective January 1, 2011

In January 2009, the CICA issued three new accounting standards: Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements and Section 1602, Non-Controlling interests.

Section 1582 replaces Section 1581 and establishes standards for the accounting of a business combination. It provides the Canadian equivalent to IFRS 3 – Business Combinations. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011.

Sections 1601 and 1602 together replace section 1600, Consolidated Financial Statements. Section 1601, establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

Section 1602 establishes standards for accounting of a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS IAS 27 - Consolidated and Separate Financial Statements and applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

Early adoption of these sections is permitted, but requires that all three sections be adopted at the same time. The Company does not anticipate that the adoption of these standards will impact its financial results.

3. Acquisition of Sudamericana de Carbon S.A.C.

On August 11, 2008, Vena entered into an agreement to acquire 100% of the outstanding shares of Sudamericana de Carbon S.A.C. ("SDC"). As consideration for this acquisition the Company paid US\$330,000 cash and issued shares of 331,251 with a fair value of \$164,500. Under the terms of the agreement the Company is required to issue an additional 165,626 shares and 165,625 shares on July 1, 2009 and December 31, 2009, respectively. The fair value of these additional shares that are to be issued is \$164,500. The Company included the value of these shares to be issued as in accounts payables and accrued liabilities at December 31, 2008. The fair value of total consideration is \$656,640 for net assets acquired with a fair value of \$223,138. The difference between the purchase price and the fair value of the net assets acquired of \$433,502 has been charged as a write-down of goodwill. SDC experienced a \$300,086 loss for the six month period ended June 30, 2009.

Vena Resources Inc.
Notes to the Unaudited Consolidated Financial Statements
For the Nine Months Ended September 30, 2009

3. Acquisition of Sudamericana de Carbon S.A.C. (continued)

The assets acquired and aggregate purchase price has been recorded as follows:

Assets and liabilities acquired:		
Cash	\$	127,544
Accounts receivable		30,807
Prepaid expenses		38,506
Capital assets		47,031
Liabilities		(20,750)
Purchase price allocated to goodwill write-down		433,502
	\$	656,640
Consideration paid:		
Cash	\$	327,640
Fair value of shares issued for acquisition		329,000
Total consideration	\$	656,640

4. Mineral Properties and Deferred Expenditures

30-Sep-09						
	Opening Balance	Additions	Disposals	Option Payments	Ending Balance	
Esquilache	\$ 575,258	\$ -	\$ -	\$ -	\$ 575,258	
Las Princesa	771,227	-	-	-	771,227	
Granja Nueva Project	853,337	-	-	-	853,337	
Pukara Mining S.A.	2,302,715	-	-	-	2,302,715	
Azulcocha/Aucapampa /Aurora	15,020,336	1,698,786	-	-	16,719,122	
Uranium Concessions	88,019	6,929,730	-	-	7,017,749	
Totals	\$ 19,610,892	\$ 8,628,516	\$ -	\$ -	\$ 28,239,408	
31-Dec-08						
	Opening Balance	Additions	Disposals	Option Payments	Ending Balance	
Esquilache	\$ 55,993	\$ 519,265	\$ -	\$ -	\$ 575,258	
Las Princesa	685,554	85,673	-	-	771,227	
Granja Nueva Project	528,590	324,747	-	-	853,337	
Pukara Mining S.A.	264,645	2,038,070	-	-	2,302,715	
Azulcocha/Aucapampa /Aurora	6,438,043	9,502,704	(920,411)	-	15,020,336	
Uranium Concessions	762,297	4,305,722	-	(4,980,000)	88,019	
Totals	\$ 8,735,122	\$ 16,776,181	\$ (920,411)	\$ (4,980,000)	\$ 19,610,892	

Included in Mineral property is \$5,306,795 (2008 - \$4,628,158) in Peruvian recoverable value added tax ("VAT") related to VAT paid on mineral property additions. Under Peruvian law, this VAT is recoverable against VAT collected on revenues earned by the Peruvian subsidiaries.

4. Mineral Properties and Deferred Expenditures

Azulcocha Property

The property is located in the country of Peru in the Department of Junin. The property is approximately 260 kilometres east from the City of Lima on the two-lane Carretera Central highway. Approach to the property can be made to within 40 kilometres via asphalt, all-weather highway. The final 40 kilometres is on a rough, single lane dirt road that is passable by 2 wheel drive vehicles.

The property comprises 5,036 hectares of mining concessions and is owned 100% by Vena. All registration fees for the concessions are current.

The property was obtained directly from the government with the exception of the San Luis Primero concession which was acquired from a third party. Under Peruvian law, the concessions acquired from the government remain in good standing as long as the annual registration payments (\$3.00 per hectare) are received by June of each year. One grace year is added in the event of a delinquent payment.

Vena staked an additional 6,000 hectares and has started an exploration campaign with Empresa Minera Los Quenuales S.A., a subsidiary of Glencore who has committed to invest US\$2.75 million dollars over the next 2 years to produce a feasibility report. Under the terms of the option agreement dated November 2, 2006, Glencore has the option to acquire a 51% interest in Azulcocha West. Vena has sold ore from the underground workings to Glencore throughout 2007 generating a revenue stream while milling facilities and permits are being processed.

The Company temporarily ceased exploration activity and property development in the Azulcocha Property, due to current economical situation and commodity prices.

Esquilache Project

The Company has signed a joint venture agreement with Apex Silver adding the historical Esquilache underground silver mine (1,000 hectares) to the 24,000 hectare package 100% already owned by Vena in Puno, Peru. Vena has committed to pay US\$300,000 over three years and to invest US\$1.5 million in exploration activities to earn 60% of the JV project. The Company can increase its ownership of the JV project to 70% when a feasibility study is completed. Vena has an additional two years to complete this study.

On July 17th, The Company issued 418,333 shares to Minera Silex Peru S.A. subsidiary of Golden Minerals as part of the joint venture project in Esquilache. The option agreement was modified so that all cash payments can be made in equivalent shares of Vena at the discretion of Golden Minerals.

Uranium Concessions

On March 29, 2006, Vena began an exploration and confirmation field campaign on its 15,500 hectare uranium concessions in Peru which are controlled by Vena through its subsidiary Minergia S.A.C.

Vena acquired an additional 31,500 hectares of potential uranium deposits in Peru giving Vena a total of 47,000 hectares of uranium prospects. On September 4, 2007 the Company signed a subscription agreement with Cameco Corporation whereby Cameco has the option to invest \$10 million over four years in two stage payments to obtain up to 50% of Minergia S.A.C. Cameco can increase its stake to 60% when a feasibility study is done and completed and to 70% when mine development commences. Cameco has invested so far \$6,929,025 as capital contribution. The receipt of these option payments from Cameco has been accounted for as 25% earned-in interest in Minergia S.A.C.

Vena Resources Inc.
Notes to the Unaudited Consolidated Financial Statements
For the Nine Months Ended September 30, 2009

4. Mineral Properties and Deferred Expenditures

Pukara Project

The Company acquired a group of concessions in the Pukara area of southern Peru. The Company issued 800,000 shares of Vena to the owners of these concessions and has paid US\$75,000. Additional shares and cash payments will be granted if key milestones are reached annually, and a US\$1/tonne cash payment up to 10 million tonnes as defined by a future feasibility study will be granted.

Sudamericana de Carbon - Coal Project

On August 11, 2008 Vena acquired 100% in SDC, which is a Peruvian company focused on the exploration, development and processing of anthracite coal in Peru. SDC is currently selling run of mine anthracite coal to the local market on a small scale.

Granja Nueva Project

Vena acquired the Granja Nueva copper/gold mineral concessions totaling 2,800 hectares from the Ministry of Energy and Mines of Peru. The Company is in the process of assembling an exploration team to confirm the historical data and expand our geological knowledge of Granja Nueva leading to a drilling campaign.

The Aurora Project

On March 23, 2005, Vena signed a purchase option agreement with Sociedad Minera Parobamba II (Parobamba), a private Peruvian company, for its Aurora copper-molybdenum project in Peru. Terms of the purchase option include a payment of US\$25,000 at the signing of the registerable transfer documents and a payment of \$25,000 after four months of confirmation testing with subsequent payments of US\$25,000 six months after the confirmation period and US\$50,000 after twelve months. This payment cycle repeats for each of the next four years. At any time during the five years, Vena can drop the option without penalty or purchase the property for a total of US\$4,000,000. There is a work commitment of US\$500,000 in each of the five years of the option period. This property was written off in the year.

Aucapampa Property

The property is located in the country of Peru.. Peru is divided in 24 Departments which are each further subdivided into several provinces. The property is located in the Department of Apurimac, and was written off during fiscal 2007.

5. Capital Assets

	September 30, 2009		December 31, 2008	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Building	\$ 254,971	\$ 3,864	\$ 254,971	\$ 2,664
Machinery	52,155	38,066	52,155	23,066
Vehicles	250,790	88,735	250,790	67,345
Furniture and fixtures	91,057	31,634	91,057	19,634
Various Equipment	3,031,429	1,012,952	3,910,537	715,567
Computer equipment	112,127	6,523	112,127	5,947
Milling equipment – under construction*	1,636,845	-	2,266,740	-
	\$ 5,429,494	\$ 1,181,754	\$ 6,938,377	\$ 827,186
Net book value	\$ 4,247,740		\$ 6,111,191	

*This capital asset has been pledged under the sale leaseback agreement with Scotia Bank Peru (see note 6).

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6. Sale Leaseback Obligation

On June 2008 The Company signed a sale leaseback agreement with Scotia Bank Peru in the amount of \$5,517,920 (US\$4,542,439); the milling equipment in the Azulcocha property was pledged under this agreement. The loan is to be repaid in 36 equal monthly installments of US\$128,128, bearing interest of 2.8206%. under the terms of the agreement the proceeds from the lessor is held at Scotia Bank Peru and may only be used to fund the monthly installments.

	30-Sep-09
Assets	
Current portion of sale lease obligation	\$ 171,497
Long-term portion of sale lease obligation	2,581,110
	\$ 2,752,607
Liabilities	
Current portion of restricted cash	\$ 171,497
Long-term portion of restricted cash	2,581,110
	\$ 2,752,607
Net Obligation	\$ -

7. Sensitivity Analysis

The Company designed its cash and equivalents as held-for trading, which are measured at fair value. Receivables are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities, and convertible debenture are classified as other financial liabilities, which are measured at amortized cost.

The carrying values of cash and cash equivalents, receivables, accounts payable and accrued liabilities approximate their fair values due to the relatively short periods to maturity of these financial instruments

Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a three month period.

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability from mineral exploration depends upon the world market price of valuable minerals. Commodity prices have fluctuated significantly in recent years. There is no assurance that, even as commercial quantities of minerals may be produced in the future, a profitable market will exist for them.

As of September 30, 2009, the Company is not a producing ore commodities, or valuable minerals. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet ongoing obligations.

8. Related Party Transactions

For the period ended September 30, 2009, Vena incurred \$295,527 (2008 -\$421,316) in management and administrative service agreements with its directors, senior officers and/or companies to which the directors and/or officers are related. These expenses have been measured at their exchange value, being the amounts negotiated and agreed to by the parties to the transactions.

Vena Resources Inc.
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9. Capital Stock

Share Capital

Vena is authorized to issue an unlimited number of common shares without par value. The issued and outstanding common shares consist of the following:

	Number	Amount
Balance at September 30, 2007	71,238,073	29,408,783
Issued for cash:		
Private Placement	7,000,000	3,500,000
Exercise of options	71,000	40,050
Issued for non-cash consideration:	360,000	180,000
Commission on Private Placement		
For properties	1,031,251	776,132
Fair value assigned to warrants issued	-	(735,000)
Fair value assigned to options exercised	-	34,170
Cost of share issuance	-	(220,862)
Balance at December 31, 2008	79,700,324	32,983,273
Issued for cash:		
Exercise of options	249,500	52,395
Issued for non-cash consideration:		
For properties	584,457	241,969
Fair value assigned to options exercised	-	17,553
Balance at September 30, 2009	80,534,281	33,295,190

During the fifteen months year ended December 31, 2008, the following private placement was completed:

Date of issuance	August 19, 2008
Number of units issued	7,000,000
Gross proceeds of issue	\$ 3,500,000
Number of common shares	7,000,000
Number of common share purchase warrants	3,500,000
Exercise price per warrant	0.60
Expiry date of warrant	August 19, 2011

On August 19, 2008 The Company raised \$3,500,000 through a private placement consisting of one common share and one-half common share purchase warrant; each full common share purchase warrant exercisable to acquire one additional common share at a price of \$0.60 per warrant share for a period of 36 months after the closing date. A finder's fee of 6% was paid in relation to the private placement. The brokers involved in the transaction received \$30,000 cash plus 360,000 common shares at a price of \$0.50 each.

Vena Resources Inc.
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9. Capital Stock (continued)

Warrants

The following table summarizes the warrants outstanding:

<i>As at</i>	September 30, 2009	Dec. 31, 2008
Outstanding – beginning of period	18,302,571	15,412,571
Transactions during the period:		
Issued	-	4,100,000
Exercised	-	-
Expired	(14,202,571)	(1,210,000)
Outstanding – end of period	4,100,000	18,302,571

The following table summarizes the weighted average assumptions used with the Black-Scholes valuation model for the determination of the stock-based compensation for the warrants and broker warrants granted during the fifteen month period ended December 31, 2008:

Number of warrants	3,500,000	600,000	4,100,000
Exercise price	0.60	0.60	
Market price	0.47	0.14	
Expected volatility	73%	89%	
Risk-free interest rate	3.40%	2.49%	
Expected life (years)	3	2	
Dividend yield	0	0	
Fair value of warrants	\$ 735,000	\$ 11,000	\$ 746,000

Stock Options

The Company established a stock option plan to provide additional incentive to its directors, officers, employees and consultants in their efforts on behalf of the Company in the conduct of its affairs. As at September 30, 2009 the Company has 3,273,085 options available for issuance under the plan (2008 –1,522,717).

Vena has the following options outstanding:

	September 30, 2009		December 31, 2008	
	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price	Number of Options
Outstanding - beginning of period	\$ 0.63	4,490,000	\$ 1.03	4,760,000
Transactions during the period:				
Granted	0.23	1,100,000	0.62	1,950,000
Exercised	0.21	(249,500)	0.56	(71,000)
Expired	0.76	(1,365,000)	1.51	(2,149,000)
Outstanding	\$ 0.47	3,975,000	\$ 0.63	4,490,000
Options exercisable	\$ 0.47	3,975,000	\$ 0.63	4,490,000

Vena Resources Inc.
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9. Capital Stock (continued)

The weighted average remaining contractual life for outstanding options is as follows:

Price Range	Number of Options	Weighted Average Remaining Life (years)	Weighted Average Exercise Price	No. of options currently Exercisable	Weighted Average Exercise Price of Exercisable Options
\$0.21 - \$0.40	1,610,000	3.19 years	\$ 0.20	1,735,000	\$ 0.20
\$0.56 - \$0.74	2,190,000	1.33 years	\$ 0.62	2,190,000	\$ 0.62
\$0.85 - \$1.25	175,000	3.05 years	\$ 1.18	175,000	\$ 1.18
\$0.24 - \$1.25	3,975,000	2.16 years	\$ 0.47	3,975,000	\$ 0.47

The following table summarizes the assumptions used with the Black-Scholes valuation model for the determination of the stock-based compensation for the stock options granted during the period ended September 30, 2009:

	Jan. 5, 2009	Jan. 5, 2009	Mar. 25, 2009	Apr. 16, 2009	Total
Number of options granted	125,000	375,000	300,000	300,000	1,100,000
Weighted average information					
Risk-free interest rate	1.17%	1.83%	1.87%	1.88%	
Expected life	1 year	5 years	5 years	5 years	
Expected volatility	122.08%	89.53%	89.37%	89.37%	
Expected dividends	0	0	0	0	
Stock based compensation	\$9,000	\$42,000	\$41,000	\$63,000	\$155,000

56,250 options were vested in the period ended September 30, 2009; which resulted in a stock based compensation non cash adjustment of \$36,510.

The following table summarizes the assumptions used with the Black-Scholes valuation model for the determination of the stock-based compensation for the stock options granted during the period ended December 31, 2008:

	Oct. 5, 2007	Oct. 30, 2007	Oct. 31, 2007	Jan. 11, 2008	Jan. 21, 2008	April 1, 2008	Nov. 13, 2008	Total
Number of options granted	100,000	200,000	75,000	500,000	300,000	75,000	700,000	1,950,000
Weighted average information								
Risk-free interest rate	4.35%	4.17%	4.23%	3.49%	3.36%	3.05%	2.75%	
Expected life	5 years	5 years	5 years	2 years	5 years	5 years	5 years	
Expected volatility	77%	76%	76%	70%	75%	75%	89%	
Expected dividends	0	0	0	0	0	0	0	
Stock based compensation								\$ 682,000
Warrants issued to employees								11,000
Recognition of stock-based compensation for options issued in fiscal 2007 vesting in 2008								229,500
Stock based compensation	\$75,000	\$159,000	\$60,000	\$164,000	\$76,000	\$30,000	\$118,000	\$ 922,500

Vena Resources Inc.
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9. Capital Stock (continued)

Earnings (Loss) Per Share

The following table sets forth the computation of basic and fully diluted earnings (loss) per common share for the periods ended September 30:

	Three Months Ended September 30, 2009		Nine Months Ended September 30, 2009	
	2009	2008	2009	2008
Net income (loss) attributable to common shareholders - basic and fully diluted	\$ 1,477,485	\$ 2,647,082	\$ 737,710	\$ 7,190,831
Weighted average common shares outstanding - basic	80,246,002	75,055,996	79,900,635	72,776,201
Dilutive stock options	1,460,000	1,904,974	1,460,000	1,
Weighted average common shares outstanding - diluted	81,706,002	76,960,970	81,360,635	72,776,201

Basic earnings (loss) per share is computed by dividing net earnings (loss) (the numerator) by the weighted average number of outstanding common shares for the period (denominator). In computing diluted earnings per share, an adjustment is made for the dilutive effect of outstanding stock options and other convertible instruments.

In periods when the Company reports a net loss, the effect of potential issuances of shares under options and other convertible instruments are anti-dilutive and, therefore, basic and diluted loss per share is the same. When diluted earnings per share is calculated, only those options and other convertible instruments with average exercise prices, that are "in-the-money" are included.

For the calculation of EPS for the three and nine month periods ended September 30, 2009, 3,975,000 stock options and 4,100,000 warrants were outstanding, however, 2,515,000 stock options and 4,100,000 warrants were not included in the computation of diluted weighted average number of shares (the "EPS Computation") because the exercise prices of these stock options and warrants exceeded the average market price of the common shares for the periods of C\$0.38 and C\$0.31 respectively, making them anti-dilutive. For the three and nine month periods ended September 30, 2008, 5,589,000 stock options and 17,702,571 warrants were outstanding. Due to a net loss for the three month period ended September 30, 2008, 3,684,026 stock options and 17,705,571 warrants were excluded from the EPS Computation because their effect would have been anti-dilutive. 5,589,000 stock options and 17,705,571 warrants were not included in the EPS computation for the nine month period ended September 30, 2008 because the exercise prices of these stock options and warrants exceeded the average market price for the common shares for the period of C\$0.60.

10. Contributed Surplus

	September 30, 2009	December 31, 2008
Balance – beginning of period	\$ 12,326,459	\$ 10,703,129
Value assigned to:		
Stock options	187,010	911,500
Unexercised warrants	-	746,000
Fair value assigned to options exercised	(17,553)	(34,170)
Balance – end of period	\$ 12,495,916	\$ 12,326,459

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11. Provision for Mine Closure Costs

The following table summarizes the changes in mine closure costs during the period:

	September 30 ,2009	December 31 ,2008
Opening Balance	\$ 560,267	\$ -
Additions(adjustments)	-	560,267
Ending Balance	\$ 560,267	\$ 560,267

At December 31, 2008, management estimates that the total amount of the estimated cash flows required to settle the Company's assets retirement obligation for the Azulcocha property is \$610,000. It is expected that this amount will be incurred over the years 2008 to 2013. The credit adjusted, risk free interest rates used to discount estimated cash flows for liabilities incurred was 5% plus LIBOR.

12. Management of Capital

The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders; and
- to maintain a flexible capital structure, which optimizes the cost of capital, at an acceptable risk.

The capital structure of the Company consists of cash and cash equivalents and shareholders' equity is comprised of share capital, contributed surplus, warrants and deficit.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company, subject to approval of the Board of Directors, may attempt to issue new shares, issue new debt or acquire or dispose of assets. The Company may also adjust the amount of cash and short-term investments balances.

The company expects that its current capital resources will be sufficient to meet its financial commitments, including planned exploration on its mineral properties and administrative expenditures.

13. Income Taxes

Income Tax Provision

The following table reconciles the income tax provision from the expected amount based on statutory rates to the amount reported:

	2008	2007
Components of the income tax provision:		
Income taxes at statutory tax rates	\$ (1,642,000)	\$ (2,830,000)
Difference between Canadian and foreign tax rates	194,000	102,000
Changes in current and future tax rates	118,000	131,000
Changes in foreign exchange rates on foreign tax assets	(198,000)	-
Non deductible expenses and other	167,000	240,000
Stock based compensation	314,000	1,252,000
Unrealized foreign exchange gains	(1,679,000)	-
Valuation allowance on future tax assets	2,726,000	1,105,000
Income tax expense	\$ -	\$ -

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13. Income Taxes (continued)

Future Income Taxes Recoverable

The Canadian statutory income tax rate of 34% (2007 - 36%) is comprised of the federal income tax rate at approximately 20% (2007 – 22%) and the provincial income tax rate of approximately 14% (2007 – 14%). The Peruvian income tax rate is approximately 30% (2007 – 30%). The primary differences which give rise to the future income tax recoveries at December 31, 2008 and September 30, 2007 are as follows:

	2008	2007
Future Tax Assets		
Temporary differences	\$ 191,000	\$ 1,325,000
Loss carryforwards	5,208,000	1,348,000
	5,399,000	2,673,000
Less: valuation allowance	(5,399,000)	(2,673,000)
Net Future Tax Assets	-	-
Future Tax Liabilities	-	-
Net Future Income Taxes Recoverable	\$ -	\$ -

The Company has recorded a 100% valuation allowance against the future income tax asset due to uncertainty surrounding their realization.

At December 31, 2008, the Company had income tax loss carry forwards expiring as follows:

Year of Expiry	Canada		Peru		Total
2009	\$	20,000	\$	898,000	\$ 918,000
2010		-		1,132,000	1,132,000
2011		-		1,474,000	1,474,000
2012		-		6,205,000	6,205,000
2013		29,000		-	29,000
2014		1,740,000		-	1,740,000
2015		36,000		-	36,000
2016		16,000		-	16,000
2026		1,210,000		-	1,210,000
2027		1,845,000		-	1,845,000
2028		2,275,000		-	2,275,000
2029		746,000		-	746,000
Totals	\$	7,917,000	\$	9,709,000	\$ 17,626,000

14. Financial Instruments

Fair Value of Financial Instruments

The carrying value of the Company's cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of these investments.

Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject in and involve uncertainties and matters of significant judgment, therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

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14. Financial Instruments (continued)

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

Credit Risk

The Company is not exposed to major credit risk attributable to customers. Additionally, the majority of the Company's cash and cash equivalents are held with a high rated Canadian financial institution in Canada.

Interest Rate Risk

The Company invest cash surplus to its operational needs in investment-grade short term deposits certificates issued by the bank where it keeps its Canadian Bank accounts. The Company periodically assesses the quality of its investments with this bank and is satisfied with the credit rating of the bank and the investment grade of its short term deposits certificates. A change in the interest rate of 1% would cause interest income to change by less than \$10,000.

Foreign Currency Risk

The Company's exploration and evaluation activities are substantially denominated in Canadian and US dollars and Peruvian New Soles. The Company's funds are predominantly kept in Canadian dollars, with a major Canadian financial Institution.

The Company functional currency is Canadian dollar and major purchases are transacted in Canadian dollars, Peruvian New Soles and American dollars. The Corporation funds major operations and exploration expenses in Peru, therefore the Company maintains Peruvian New Soles bank accounts in Peru. Management believes that foreign currency risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk. During the nine month period ended September 30, 2009, the Company recorded a non-cash loss of \$161,309 (2008 – \$1,795,765) which reflects the volatility in the current foreign exchange market against Canadian dollar and due to the variances in the balance sheet from year to year. The Company accounts for temporal movements in US dollar exchange rate for all items measured at

historical cost on its balance sheet, by including such changes as a change or gain to its income statement.

The table below summarizes the effects on foreign exchange gains and losses as a result of a 10% change in the value of the foreign currencies against the Canadian dollar where the Company has significant exposure. The analysis assumes all other variables remain constant.

The Company's foreign currency exposure as of September 30, 2009 is shown in the table below:

	Canadian Dollar	United States Dollar	Peruvian Sol	Total
Financial Assets				
Cash and cash equivalents	\$ 20,223	\$ 948,114	\$ 130,342	\$ 1,098,679
Cash – restricted	-	171,497	-	171,497
GST and foreign sales tax recoverable	4,660	-	179,012	183,672
	\$ 24,883	\$ 1,119,611	\$ 309,354	\$ 1,453,848
Financial Liabilities				
Accounts payable and accrued liabilities	\$ 189,400	\$ 44,826	\$ 1,750,727	\$ 1,984,953
Loans payable – current	-	171,497	-	171,497
	\$ 189,400	\$ 216,323	\$ 1,750,727	\$ 2,156,450

Currently the Company has no revenues and costs are incurred in US dollars, Canadian dollars and Peruvian sol. As such, the Company is sensitive to fluctuations in each of the foreign currencies in relation to each other.

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14. Financial Instruments (continued)

The following table indicates the impact of foreign currency exchange risk on net working capital as at September 30, 2009. The table also provides a sensitivity analysis of a 10 percent strengthening of the CAN dollar against foreign currencies as identified, which would have increased (decreased) the Company's net earnings by the amounts shown in the table below. A 10 percent weakening of the CAN dollar against the same foreign currencies would have had the equal but opposite effect as at September 30, 2009.

	United States Dollar	Peruvian Sol
Cash	3,456,357	264,307
GST and foreign sales tax recoverable	-	562,658
Prepaid expenses	630,354	786,171
Accounts payable and accrued liabilities	(4,203,551)	(15,597)
Total foreign currency net working capital	\$ (116,810)	1,597,539
CAN\$ exchange rate	1.0707	0.3175
Total foreign currency net working capital in CAN\$	\$ (125,101)	\$ 507,219
Impact of a 10% strengthening of the CAN\$ on net earnings	\$ 12,510	\$ (50,722)

Political

The properties are located in Peru; accordingly, the Company is subject to risks normally associated with exploration and development of mineral properties in Peru. The Company's ability to conduct future exploration and development activities is subject to changes in government regulations and shifts in political attitudes over which the Company has no control.

Business Risk

There is numerous business risks involved in the mineral exploration industry, some of which are outlined below. Vena Resources current or future operations, including development activities, are subject to environmental regulations which may make operations not economically viable or prohibit them altogether. The success of the operations and activities is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgment, as well as the expertise and competence of the outside contractors, experts and other advisors. The company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect Vena Resources Inc. operations and financial performance.

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 September 30, 2009, the Company had current assets of \$2,558,463 (2008 - \$12,809,666) and current liabilities of \$2,156,450 (2008 - \$11,510,872). All of the Company's financial liabilities and receivables have contractual maturities of less than 90 days and are subject to normal trade terms. Current working capital of the Company is \$402,013 (2008 - \$1,298,794).

Commodity Price Risk

The price of the common shares in the capital the Company ("Common Shares"), its financial results, exploration and development activities have been, or may in the future be, adversely affected by declines in the price of zinc, gold and/or other metals. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation

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14. Financial Instruments (continued)

or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from mining and sale of precious and base metals or interests related thereto. The effect of these factors on the price of precious and base metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

15. Commitments

- i) Management and Admin. Services discussed in Note 8, commit the Company to pay \$25,500 per month to officers of the Company.
- ii) The Company's activities are subject to environmental regulation (including regular environmental impact assessments and permitting) in each of the jurisdictions in which its mineral properties are located. Such regulations cover a wide variety of matters including, without limitations, prevention of waste, pollution and protection of the environment, labour relations and worker safety. The Company may also be subject under such regulations to clean up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. It is likely that environmental legislation and permitting will evolve in a manner which will require stricter standards and enforcement. This may include increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a higher degree of responsibility for companies, their directors and employees.

The Company has not determined and is not aware whether any provision for such costs is required and is unable to determine the impact on its financial position, if any, of environmental laws and regulations that may be enacted in the future due to the uncertainty surrounding the form that these laws and regulations may take.

16. Segmented Information

Vena is in the business of mineral exploration and production in the country of Peru. As such, management has organized the Company's reportable segments by geographic area. The Peruvian segment is responsible for that country's mineral exploration and production activities while the Canadian segment manages corporate head office activities. Information concerning Vena's reportable segments is as follows:

	September 30, 2009	December 31, 2008
Consolidated net loss (income) before minority interest		
Canada	\$ 880,079	\$ 2,552,675
Peru	(142,369)	1,538,706
	737,710	2,294,916
Identifiable assets		
Canada	77,609	1,368,082
Peru	37,549,112	31,542,514
	37,626,721	32,910,534
Significant non-cash items		
Canada		
Stock-based compensation	187,010	922,500
Peru		
Write-down of properties	-	920,411
Loss (gain) on disposal of capital assets	-	843
	-	921,254
	\$ 187,010	\$ 1,843,754

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17. Subsequent events

On November 13, 2009, the Company announced that it has closed a private placement through the issuance of 7,564,668 units for gross proceeds of \$2,269,400 at \$0.30 each unit. Each Unit comprises one common share and one-half common share purchase warrant with each full warrant entitling the holder to purchase one common share at \$0.45 per share for a period of 18 months. The Company paid \$147,511.02 and issued 491,703 broker warrants exercisable at \$0.36 per common share for period of 18 months as commission.