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Summary financial statements attached:

YM BIOSCIENCES INC.

Interim Consolidated Balance Sheets
(Expressed in Canadian dollars, unless otherwise noted)

| | September 30, 2009 | June 30, 2009 |
|---|-----------------------|------------------|
| | (Unaudited) | |
| Assets | | |
| Current assets: | | |
| Cash | \$ 34,269,093 | \$ 2,337,716 |
| Short-term deposits | 5,205,955 | 39,713,042 |
| Accounts receivable | 439,911 | 564,584 |
| Prepaid expenses | 231,488 | 352,850 |
| | 40,146,447 | 42,968,192 |
| Property and equipment | 84,187 | 96,876 |
| Intangible assets | 2,739,732 | 3,004,868 |
| | \$ 42,970,366 | \$ 46,069,936 |
| Liabilities and Shareholders' Equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 674,216 | \$ 431,028 |
| Accrued liabilities | 878,174 | 486,723 |
| Deferred revenue | 2,557,955 | 2,549,568 |
| | 4,110,345 | 3,467,319 |
| Deferred revenue | 2,250,416 | 2,898,292 |
| Shareholders' equity: | | |
| Share capital | 172,940,340 | 172,921,153 |
| Contributed surplus | 13,424,004 | 13,035,123 |
| Deficit | (149,754,739) | (146,251,951) |
| | 36,609,605 | 39,704,325 |
| Basis of presentation | | |
| Commitments | | |
| Subsequent event | | |
| | \$ 42,970,366 | \$ 46,069,936 |

YM BIOSCIENCES INC.

Interim Consolidated Statements of Operations and Comprehensive Loss and Deficit
(Expressed in Canadian dollars, unless otherwise noted)

| | Three months ended September 30, | |
|--|-------------------------------------|-------------------------|
| | 2009 | 2008 |
| | (Unaudited) | |
| Out-licensing revenue | \$ 727,538 | \$ 1,214,945 |
| Interest income | 19,119 | 442,621 |
| | <u>746,657</u> | <u>1,657,566</u> |
| Expenses: | | |
| Licensing and product development | 2,436,048 | 3,845,184 |
| General and administrative | 1,784,432 | 1,147,378 |
| | <u>4,220,480</u> | <u>4,992,562</u> |
| Loss before the undernoted | (3,473,823) | (3,334,996) |
| Gain (loss) on foreign exchange | (26,747) | 12,203 |
| Loss on short-term deposits | (2,218) | (140,559) |
| Other income | – | 307,140 |
| | <u>(3,502,788)</u> | <u>(3,156,212)</u> |
| Loss and comprehensive loss for the period | (3,502,788) | (3,156,212) |
| Deficit, beginning of period | (146,251,951) | (133,182,485) |
| | <u>\$ (149,754,739)</u> | <u>\$ (136,338,697)</u> |
| Basic and diluted loss per common share | \$ (0.06) | \$ (0.06) |
| Weighted average number of common shares outstanding | 55,844,505 | 55,835,356 |
| Excludes common shares held in escrow for contingent additional payment related to the acquisition of Delex Therapeutics Inc. | 2,380,953 | 2,380,953 |

YM BIOSCIENCES INC.

Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars, unless otherwise noted)

| | Three months ended September 30, | |
|---|-------------------------------------|----------------|
| | 2009 | 2008 |
| | (Unaudited) | |
| Cash provided by (used in): | | |
| Operating activities: | | |
| Loss for the period | \$ (3,502,788) | \$ (3,156,212) |
| Items not involving cash: | | |
| Amortization of property and equipment | 16,252 | 18,631 |
| Amortization of intangible assets | 265,136 | 265,136 |
| Loss on short-term deposits | 2,218 | 140,559 |
| Stock-based compensation | 396,644 | 190,333 |
| Change in non-cash operating working capital: | | |
| Accounts receivable and prepaid expenses | 246,035 | (109,840) |
| Accounts payable, accrued liabilities and deferred revenue | (4,850) | (683,008) |
| | (2,581,353) | (3,334,401) |
| Financing activities: | | |
| Issue of common shares on exercise of options | 11,424 | – |
| Investing activities: | | |
| Short-term deposits, net | 34,504,869 | 13,200,126 |
| Additions to property and equipment | (3,563) | (12,704) |
| | 34,501,306 | 13,187,422 |
| Increase in cash | 31,931,377 | 9,853,021 |
| Cash, beginning of period | 2,337,716 | 3,119,189 |
| Cash, end of period | \$ 34,269,093 | \$ 12,972,210 |