

YM BIOSCIENCES INC.

Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

| | Three months ended March 31, | | Nine months ended March 31, | |
|--|---------------------------------|----------------|--------------------------------|-----------------|
| | 2009 | 2008 | 2009 | 2008 |
| | (Unaudited) | | (Unaudited) | |
| Cash provided by (used in): | | | | |
| Operating activities: | | | | |
| Loss for the period | \$ (3,474,839) | \$ (3,818,647) | \$ (9,805,436) | \$ (11,922,844) |
| Items not involving cash: | | | | |
| Amortization of property and equipment | 19,806 | 20,781 | 57,282 | 106,364 |
| Amortization of intangible assets | 265,135 | 265,135 | 795,406 | 795,406 |
| Loss on disposal of property and equipment | — | — | — | 70,143 |
| Unrealized loss (gain) on short-term deposits | 56,219 | (98,443) | 33,501 | (91,569) |
| Stock-based compensation | 195,023 | 324,704 | 574,579 | 1,827,991 |
| Change in non-cash operating working capital: | | | | |
| Accounts receivable and prepaid expenses | 255,258 | 257,614 | (45,639) | (152,916) |
| Accounts payable, accrued liabilities and deferred revenue | (767,508) | (849,632) | (3,036,153) | (4,204,800) |
| | (3,450,906) | (3,898,488) | (11,426,460) | (13,572,225) |
| Investing activities: | | | | |
| Short-term deposits, net | 4,233,479 | (4,980,923) | 17,259,293 | 10,362,066 |
| Additions to property and equipment and intangible assets | (19,114) | — | (34,150) | (35,933) |
| Proceeds from sale of property and equipment | — | — | — | 38,996 |
| | 4,214,365 | (4,980,923) | 17,225,143 | 10,365,129 |
| Increase (decrease) in cash and cash equivalents | 763,459 | (8,879,411) | 5,798,683 | (3,207,096) |
| Cash and cash equivalents, beginning of period | 8,154,413 | 11,519,666 | 3,119,189 | 5,847,351 |
| Cash and cash equivalents, end of period | \$ 8,917,872 | \$ 2,640,255 | \$ 8,917,872 | \$ 2,640,255 |