

Interim Consolidated Financial Statements

April 30, 2010

The accompanying financial statements of American Manganese Inc. (*formerly Rocher Deboule Minerals Corp.*) comprised of the Consolidated Balance Sheets as at April 30, 2010 and July 31, 2009, and the Interim Consolidated Statements of Operations and Deficit and

Consolidated Statements of Cash Flows for the three and nine-month period ended April 30, 2010 and 2009 have been prepared by management and approved by the Board of Directors.

These financial statements have not been reviewed by the independent external auditors of the Company.

AMERICAN MANGANESE INC.
(formerly Rocher Debole Minerals Corp.)
Interim Consolidated Balance Sheets

	<u>April 30, 2010</u> <i>(Unaudited)</i>	<u>July 31, 2009</u> <i>(Audited)</i>
ASSETS		
Current		
Cash and cash equivalents	\$ 167,710	\$ 306,891
Amounts receivable	24,605	205,345
Due from related parties (Note 3)	64,389	72,937
Prepaid expenses	<u>68,440</u>	<u>39,584</u>
	325,144	624,757
Equipment (Note 4)	8,805	11,349
Reclamation bond	14,000	10,500
Mineral property interests (Note 5)	<u>3,765,122</u>	<u>3,098,187</u>
	<u>\$ 4,113,071</u>	<u>\$ 3,744,793</u>
LIABILITIES		
Current		
Accounts payable and accruals	\$ 96,998	\$ 33,417
Due to related parties (Note 3)	<u>30,584</u>	<u>36,249</u>
	127,582	69,666
Non-current		
Contingencies (Note 7)	<u>358,743</u>	<u>358,743</u>
	<u>\$ 486,325</u>	<u>\$ 428,409</u>
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	12,293,637	10,987,075
Value assigned to options and warrants (Note 6)	1,751,970	1,352,282
Deficit	<u>(10,418,861)</u>	<u>(9,022,973)</u>
	3,626,746	3,316,384
	<u>\$ 4,113,071</u>	<u>\$ 3,744,793</u>

Continuance (Note 1)
Subsequent events (Note 8)

Approved on Behalf of the Board of Directors:

Larry Reaugh
Director

Edward Lee
Director

See accompanying notes to consolidated financial statements

AMERICAN MANGANESE INC.
(formerly Rocher Debole Minerals Corp.)
Interim Consolidated Statements of Operations and Deficit

	<u>Three-Months Ended</u> <u>April 30</u>		<u>Nine-Months Ended</u> <u>April 30</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Administrative Expenses				
Amortization	\$ 848	\$ 1,210	\$ 2,544	\$ 3,630
Bank charges and interest	1,309	302	2,168	1,667
Consulting fees	75,374	-	112,685	-
Management fees	5,526	-	12,854	-
Office rental and services	13,173	4,048	44,763	31,852
Professional fees	(1,410)	16,612	49,870	129,723
Shareholder communications	71,856	52,135	255,341	174,928
Office rent	4,032	2,465	10,591	7,086
Filing and transfer agent fees	34,452	16,784	47,286	26,687
Telephone	5,184	3,062	12,603	9,708
Travel	17,657	0	43,500	8,568
Wages and benefits	111,165	84,972	266,248	243,589
Gain on foreign exchange	13,528	16,736	13,463	(36,988)
Stock compensation expense	183,923	12,413	420,103	66,476
Metallurgical Testing	19,619	-	102,084	-
Write-off of Mineral Properties	-	(1,536)	-	280,692
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Loss before other items	(556,236)	(209,203)	(1,396,103)	(947,618)
Interest income	<u>0</u>	<u>131</u>	<u>214</u>	<u>2,644</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Loss for the Period	(556,236)	(209,072)	(1,395,889)	(944,974)
Deficit - Beginning of Period	<u>(9,862,626)</u>	<u>(8,069,064)</u>	<u>(9,022,973)</u>	<u>(7,333,162)</u>
Deficit - End of Period	<u>\$ (10,418,862)</u>	<u>\$ (8,278,136)</u>	<u>\$ (10,418,862)</u>	<u>\$ (8,278,136)</u>
Basic and Diluted Loss per Share	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.02)</u>	<u>\$ (0.02)</u>
Weighted Average Number of Shares Outstanding	<u>58,200,320</u>	<u>40,791,425</u>	<u>58,200,320</u>	<u>40,791,425</u>

See accompanying notes to consolidated financial statements

AMERICAN MANGANESE INC.
(formerly Rocher Debole Minerals Corp.)
Interim Consolidated Statements of Cash Flows

	Three-Month Ended April 30		Nine-Month Ended April 30	
	2010	2009	2010	2009
Cash Provided By (Used For):				
Operating Activities				
Net loss for the period	\$ (556,235)	\$ (209,071)	\$ (1,395,888)	\$ (944,973)
Items not requiring cash:				
Amortization	848	1,210	2,544	3,630
Stock-based compensation	<u>183,923</u>	<u>12,413</u>	<u>420,103</u>	<u>(163,643)</u>
	(371,464)	(195,448)	(973,242)	(1,104,987)
Net change in non-cash working capital items:				
Accounts receivable	(16,842)	(43,150)	180,740	(222,474)
Accounts payable and accruals	(19,426)	21,816	63,582	(40,508)
Due to related parties	(168,401)	95,010	2,882	107,030
Prepaid expenses	<u>(47,000)</u>	<u>3,767</u>	<u>(28,856)</u>	<u>(31,559)</u>
	(623,133)	(118,005)	(754,894)	(1,292,498)
Investing Activities				
Purchase of equipment	-	-	-	-
Reclamation bonding	-	-	(3,500)	-
Mineral property expenditures	<u>(433,634)</u>	<u>(44,076)</u>	<u>(666,935)</u>	<u>194,300</u>
	(433,634)	(44,076)	(670,435)	194,300
Financing Activities				
Share capital	<u>1,150,098</u>	<u>162,500</u>	<u>1,286,148</u>	<u>997,519</u>
	1,150,098	162,500	1,286,148	997,519
(Decrease) / Increase in Cash	93,331	419	(139,181)	(100,679)
Cash- Beginning of Period	<u>74,379</u>	<u>55,763</u>	<u>306,891</u>	<u>156,861</u>
Cash - End of Period	<u>\$ 167,710</u>	<u>\$ 56,182</u>	<u>\$ 167,710</u>	<u>\$ 56,182</u>

See accompanying notes to consolidated financial statements

AMERICAN MANGANESE INC.
(formerly Rocher Deboule Minerals Corp.)
Notes to the Interim Consolidated Financial Statements
For The Three and Nine-Month Period Ended April 30, 2010

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company is in the exploration stage of developing mineral property interests.

The Company has incurred losses since inception and as at April 30, 2010 have a working capital of \$197,562 and an accumulated operating deficit of \$10,418,861. The Company does not generate cash flow from operations to fund its exploration activities and has therefore relied principally upon the issuance of equity securities for financing. The Company intends to continue relying upon the issuance of these securities to finance its operations and exploration activities to the extent such instruments are issuable under terms acceptable to the Company. Accordingly, the Company's financial statements are presented on a going concern basis, which assumes that the Company will continue to realize its assets and discharge its liabilities in the normal course of operations. If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case the realizable values of its assets may decline materially from current estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP") applicable to interim financial reporting. The accounting principles utilized herein are consistent with those applicable to the annual audited financial statements; however, they lack certain disclosures that are ordinarily only reported in those annual statements. Accordingly, these statements should be read in conjunction with the Company's last annual financial statements as at and for the year ended July 31, 2009.

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, incorporated in the State of Nevada, U.S. All significant intercompany transactions have been eliminated.

Future accounting standards

The CICA has issued new standards which may affect the financial disclosures and results of operations of the Company for future interim and annual periods. The Company will adopt the requirements on the date specified for each respective section the impact of these standards on the consolidated financial statements, as outlined below.

- (a) **Business Combinations, Consolidated Financial Statements and Non-Controlling Interests**
The CICA issued three new accounting standards in January 2009: Section 1582, *Business Combinations*, Section 1601, *Consolidated Financial Statements*, and Section 1602, *Non-Controlling Interests*. These new standards will be effective for fiscal years beginning on or after January 1, 2011. The Company is in the process of evaluating the requirements of the new standards.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Section 1582 replaces Section 1581, *Business Combinations*, and establishes standards for the accounting for 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 for 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.

(b) International Financial Reporting Standards (“IFRS”)

In February 2008, the Canadian Accounting Standards Board confirmed that publicly accountable enterprises will be required to adopt IFRS for fiscal years beginning on or after January 1, 2011, with earlier adoption permitted. Accordingly, the conversion to IFRS will be applicable to the Company’s reporting no later than in the first quarter of 2011, with the restatement of comparative information presented. The conversion to IFRS will impact the Company’s accounting policies, information technology and data systems, internal control over financial reporting, and disclosure controls and procedures. The transition may also impact business activities such as foreign currency activities, certain contractual arrangements, capital requirements and compensation arrangements. The Company has assessed the key areas for which accounting policies may be impacted by the transition to IFRS. The company has engaged the services of IFRS Track to provide detailed evaluation of potential changes required to accounting policies, information systems and business processes, including the application of IFRS 1 First Time Adoption of International Financial Reporting Standards. An update on the changeover plan will be summarized with respect to IFRS transition plan.

3. RELATED PARTY TRANSACTIONS

The Company shares its office premises with Goldrea Resources Corp., and Molycor Gold Corp., companies which share common directors with the Company. In addition, certain personnel are shared by the companies.

Expenses relating to the common office facilities are shared among the companies are allocated according to the relative amount of space used by each of the companies. The salary and related costs of common personnel are allocated according to the time expended by the personnel in question.

At April 30, 2010, the amount of \$30,584 is owed to these related parties (2009 - \$145,639).

During the nine-month period ended April 30, 2010, the Company advanced \$8,853 to a director and \$55,536 to a related party. The amount does not bear interest, is unsecured and has no fixed term of repayment.

4. EQUIPMENT

	Amortization Rate	Cost	Accumulated Amortization	April 30, 2010 Net Book Value	July 31, 2009 Net Book Value
Office Equipment	20%	\$ 1,426	\$ 1,320	\$ 106	\$ 126
Motor Vehicle	30%	18,828	10,146	8,682	11,204
Computer Equipment	30%	1,851	1,834	17	19
Software	100%	7,444	7,444	-	-
		<u>\$ 29,549</u>	<u>\$ 20,744</u>	<u>\$ 8,805</u>	<u>\$ 11,349</u>

5. MINERAL PROPERTY INTERESTS

Rocher Deboule

Omineca Mining Division, Hazelton, B.C.

The Company's 8,051 hectare property is located nine kilometers south of New Hazelton, BC, and is comprised of claims acquired by staking in 2001, and certain additional claims acquired in 2007 by the cash payment of \$60,000 and the issuance of 130,000 common shares.

	Balance, July 31, 2009	Expenditures	Balance, April 30, 2010
Acquisition and staking	\$ 133,317	\$ 10,198	\$ 143,515
Assays and analysis	31,463	13,457	44,920
Camp and supplies	59,504	-	59,504
Drilling	146,826	-	146,826
Geological and geophysical	426,545	6,007	432,552
Geologist travel and accommodation	15,284	656	15,940
Freight and transport	76,476	3,686	80,162
BCMETS recoverable	(226,963)	-	(226,963)
	<u>\$ 662,452</u>	<u>\$ 34,004</u>	<u>\$ 696,456</u>

Artillery Mountains

Mohave County, Arizona, U.S.A.

During fiscal year ended July 31, 2008, the Company completed the terms of its option to acquire 236 unpatented lode mining claims located in the southeastern corner of Mohave County, Arizona, USA, by the issuance of 1,000,000 common shares and the payment of US \$96,000. The property is subject to a 2% Net Smelter Returns ('NSR') royalty with an option to purchase 1% of the NSR for US\$ 2,000,000.

In August 2008, the company acquired additional adjoining properties during the current fiscal year in the Artillery Peak manganese district of Arizona:

Lake property – The Company has entered into an agreement to lease the patented mining claims adjoining the Company's Artillery Peak properties. Under the Lease Agreement, as consideration for leasing the claims for a 10-year renewable term, the Company shall pay the lessors the following amounts:

- a. \$60,000 US upon execution of the Lease Agreement (paid)
- b. \$80,000 US upon 1st anniversary of the Lease (paid)
- c. \$100,000 US upon 2nd anniversary of the Lease Agreement
- d. \$120,000 US upon 3rd anniversary of the Lease Agreement
- e. \$140,000 US upon 4th anniversary of the Lease Agreement
- f. \$160,000 US upon 5th anniversary of the Lease Agreement
- g. \$180,000 US upon 6th anniversary of the Lease Agreement
- h. \$200,000 US upon 7th and each subsequent anniversary of the Lease Agreement

In addition, the Company is to pay a royalty to the lessors of US\$0.04/lb for manganese, and 1.5% of net returns for all other minerals, produced from both the lessors' claims and the Company's existing claims. The lease payments described above constitute an advance on any royalties due to the lessors.

Maggie Canyon –the Company has entered into a mineral lease agreement with option to purchase dated July 15, 2008 with David Huffman to lease 23 patented and unpatented mineral claims for a term of 10 years. Lease payments are \$20,000 (paid) on execution of the lease and \$20,000 yearly for the term of the lease. In addition, the Company has an option to purchase the property during the term of the lease or up to commencement of commercial production for the purchase price of \$2,250,000.

5. **MINERAL PROPERTY INTERESTS** (continued)

Huffman property – The Company has entered into a mineral lease agreement with option to purchase dated June 15, 2008 with David Huffman to lease 7 patented claims for a term of 10 years. Lease payments are \$10,000 (paid) on execution of the lease and \$10,000 yearly for the term of the lease. In addition, the Company has an option to purchase the property during the term of the lease or up to commencement of commercial production for the purchase price of \$1,000,000.

	<u>Balance, July 31, 2009</u>	<u>Expenditures</u>	<u>Balance, April 30, 2010</u>
Acquisition and staking	\$ 1,081,719	\$ 74,393	\$ 1,156,112
Assays and analysis	140,712	5,862	146,574
Drilling	669,054	261,210	930,264
Geological and geophysical	340,714	167,978	508,692
Geologist travel and accommodation	53,268	24,258	77,526
Property maintenance	68,898	4,659	73,557
	<u>\$ 2,354,365</u>	<u>\$ 538,360</u>	<u>\$ 2,892,725</u>

**BC Manganese
Alberni and Clinton Mining Division, B.C.**

The Company acquired by staking the Black Prince, Junction Creek and Olson exploration properties located in the Alberni and Clinton Mining Divisions of British Columbia.

	<u>Balance, July 31, 2009</u>	<u>Expenditures</u>	<u>Balance, April 30, 2010</u>
Acquisition and staking	\$ 4,197	\$ -	\$ 4,197
Geological and geophysical	946	-	946
	<u>\$ 5,143</u>	<u>\$ -</u>	<u>\$ 5,143</u>

**Tam Property
Liard Mining Division, B.C.**

During the fiscal year ended July 31, 2008, the Company obtained an option to acquire this property located in the Liard Mining Division of British Columbia by making total payments of \$300,000 and issuing 500,000 common shares in stages prior to August, 2011 (\$25,000 paid to date). In August 2008, after evaluating exploration priorities the Company terminated the property option and wrote down \$183,653 previously capitalized acquisition expenditures.

**Lonnie Brent
Omineca Mining, B.C.**

During the fiscal year ended July 31, 2008 the Company acquired the mineral claims comprising this property located in the Omineca Mining Division of British Columbia by staking and also by the issuance of 100,000 common shares and the cash payment of \$10,000.

	<u>Balance, July 31, 2009</u>	<u>Expenditures</u>	<u>Balance, April 30, 2010</u>
Acquisition and staking	\$ 58,727	\$ -	\$ 58,728
Drilling	-	60,073	60,073
Geological and geophysical	-	\$ 34,497	\$ 34,497
	<u>\$ 58,727</u>	<u>\$ 94,570</u>	<u>\$ 153,298</u>

5. MINERAL PROPERTY INTERESTS (continued)

Pond Claims
Golden Mining Division, B.C.

During the fiscal year ended July 31, 2008 the Company obtained an option to acquire a property located in Canal Flats of the Golden Mining Division of British Columbia by the payment of \$10,000 and issuing 50,000 shares.

	<u>Balance, July 31, 2009</u>	<u>Expenditures</u>	<u>Balance, April 30, 2010</u>
Acquisition and staking	\$ 17,500	\$ -	\$ 17,500
	<u>\$ 17,500</u>	<u>\$ -</u>	<u>\$ 17,500</u>

Boundary Macklin Coal Field
Manville Group, Saskatchewan, Canada

The Company acquired these coal permits in Lower Cretaceous Mannville Group in Saskatchewan by the payment of \$170,000 and the requirement to issue 2,500,000 shares prior to December 31, 2008. In August 2008, the Company cancelled the coal application for the properties referred to as the Alberta Saskatchewan Boundary group. The Company received a \$98,411 refund of fees paid to the government of Saskatchewan and wrote off the balance of \$97,039 in capitalized costs.

6. SHARE CAPITAL

a) Authorized

100,000,000 common shares without par value

b) Issued and Outstanding

	<u>Number of Shares</u>	<u>Amount</u>	<u>Value Assigned to Options</u>
Balance, July 31, 2009	51,137,225	\$ 10,987,074	\$ 1,352,281
Private Placement	5,969,595	1,193,919	
Cost of share issuance	-	(64,640)	
Exercise of warrants	855,000	128,250	-
Exercise of options	238,500	49,034	(20,414)
Stock based compensation	-	-	420,103
Balance, April 30, 2010	<u>58,200,320</u>	<u>\$ 12,293,637</u>	<u>\$ 1,751,970</u>

6. SHARE CAPITAL (continued)

c) Stock options

	<u>Number of Options</u>		<u>Weighted Average Exercise Price</u>
Balance at July 31, 2009	6,025,000	\$	0.26
Granted	2,745,000		0.20
Exercised	(238,500)		0.12
Cancelled/forfeited	(560,000)		(0.17)
Balance at April 30, 2010	<u>7,971,500</u>	\$	<u>0.16</u>

During the nine-month period ended April 30, 2010 238,500 stock options were exercised for proceeds of \$28,620.

d) Warrants

	<u>Number of Warrants</u>		<u>Weighted Average Exercise Price</u>	<u>Weighted Average Remaining Life</u>
Balance at July 31, 2009	19,144,220	\$	0.35	1.48 years
Granted	3,104,797		0.30	
Expired/Cancelled	(3,918,420)		0.45	
Exercised/Released	(855,000)		0.15	
Balance at April 30, 2010	<u>17,475,597</u>	\$	<u>0.20</u>	0.92 years

(1) 3,562,200 purchase warrants were re-priced to \$0.45 on September 30, 2008.

During the nine-month period ended April 30, 2010 855,000 warrants were exercised for proceeds of \$128,250.

7. CONTINGENCIES

- a) A former lawyer for the Company has claimed for past legal fees, for which the Company has accrued \$358,742 in accounts payable, an amount which the Company disputes and intends to settle for a lesser amount or through legal action. As the amount has now been outstanding for several years with no ongoing or current claims having been made in respect to it, the Company believes that it is appropriately classified as a non-current liability in these financial statements.
- b) The Company has an unaccrued contingent liability for \$271,584 under a guarantee to a creditor from a prior business venture. No claim has ever been made under this guarantee and management believes it is not enforceable.

8. SUBSEQUENT EVENTS

In June, 2010 the Company closed the Short Form Prospectus Offering issuing 4,613,184 units at a price of \$0.22 per unit for gross proceeds of \$1,014,900.48. Each unit comprised of one common share purchase in the capital of the Company and one transferrable common share purchase warrant.