Corriente Resources Inc.

(A Development Stage Enterprise)

Interim Consolidated Financial Statements

For the three and six-month periods ended June 30, 2009

(expressed in Canadian dollars)

(Unaudited)

Corriente Resources Inc.

(a development stage enterprise)

Consolidated Balance Sheets

(Unaudited)

(expressed in thousands of Canadian dollars)

		June 30, 2009		December 31, 2008
Assets				
Current assets				
Cash and cash equivalents	$	80,796	$	18,540
Investments		–		75,237
Accounts receivable and prepayments		44		84
Convertible loan (note 7)		1,098		957
		81,938		94,818
Long-term assets				
Mineral properties (note 3)		102,673		94,489
Equipment (note 4)		1,282		1,541
Other assets (note 5)		6,026		4,285
		109,981		100,315
TOTAL ASSETS	$	191,919	$	195,133
Liabilities				
Current liabilities				
Accounts payable relating to mineral properties	$	1,293	$	1,402
Other accounts payable and accrued liabilities		70		193
		1,363		1,595
Shareholders' Equity				
Share capital		236,391		235,996
Options (note 6 (c))		7,173		4,718
Contributed surplus		1,718		1,472
Deficit		(54,726)		(48,648)
		190,556		193,538
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$	191,919	$	195,133

Nature of operations – note 1
Commitments – note 3
Measurement uncertainty – note 3

Approved by the Board of Directors

"Kenneth Shannon" ________________________ Director

"Dale Peniuk" ________________________ Director

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

Corriente Resources Inc.

(a development stage enterprise)

Consolidated Statements of Changes in Shareholders' Equity

For the period ended June 30, 2009

(Unaudited)

(expressed in thousands of Canadian dollars, except for number of shares)

	Common Shares					
	Number	Share Capital	Options	Contributed Surplus	Deficit	Total Shareholders' Equity
Balance at December 31, 2007	74,927,393	$ 234,438	$ 3,736	$ 1,378	$ (63,406)	$ 176,146
Common shares issued for cash pursuant to exercise of options (note 6 (c))	375,000	1,058	–	–	–	1,058
Grant-date fair value of options exercised (note 6 (c))	–	500	(500)	–	–	–
Grant-date fair value of vested options forfeited (note 6 (c))	–	–	(94)	94	–	–
Stock based compensation on unexercised options (note 6 (c))	–	–	1,576	–	–	1,576
Earnings for the year ended December 31, 2008	–	–	–	–	14,758	14,758
Balance at December 31, 2008	75,302,393	235,996	4,718	1,472	(48,648)	193,538
Common shares issued for cash pursuant to exercise of options (note 6 (c))	47,500	141	–	–	–	141
Grant-date fair value of options exercised (note 6 (c))	–	254	(254)	–	–	–
Grant-date fair value of vested options forfeited (note 6 (c))	–	–	(246)	246	–	–
Stock based compensation on unexercised options (note 6 (c))	–	–	2,955	–	–	2,955
Loss for the period ended June 30, 2009	–	–	–	–	(6,078)	(6,078)
Balance at June 30, 2009	75,349,893	$ 236,391	$ 7,173	$ 1,718	$ (54,726)	$ 190,556

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

Corriente Resources Inc.

(a development stage enterprise)

Consolidated Statements of Loss (Earnings) and Comprehensive Loss (Income)

(Unaudited)

(expressed in thousands of Canadian dollars, except for per share amounts and number of shares)

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
Administration expenses				
Salaries, benefits and stock-based compensation	$ 1,430	$ 471	$ 2,280	$ 993
Corporate development and shareholder expenses	308	152	474	314
Legal, accounting and regulatory	98	97	263	237
Office and related	81	62	155	130
Other	2	41	4	79
	1,919	823	3,176	1,753
Other income				
Foreign exchange loss (gain)	6,100	559	3,353	(2,147)
Interest income (note 7)	(90)	(514)	(391)	(1,292)
Management fees (note 7)	(30)	(30)	(60)	(60)
	5,980	15	2,902	(3,499)
Loss (earnings) and comprehensive loss (income) for the period	$ 7,899	$ 838	$ 6,078	$ (1,746)
Loss (earnings) per share				
Basic and diluted	$ 0.10	$ 0.01	$ 0.08	$ (0.02)
Weighted average number of shares outstanding				
Basic	75,317,668	74,983,107	75,310,073	74,956,404
Diluted	75,317,668	74,983,107	75,310,073	75,278,913

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

Corriente Resources Inc.

(a development stage enterprise)

Consolidated Statements of Cash Flows

(Unaudited)

(expressed in thousands of Canadian dollars)

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
Cash flows from (applied to) operating activities				
Earnings (loss) for the period	$ (7,899)	$ (838)	$ (6,078)	$ 1,746
Items not affecting cash				
Stock-based compensation (note 6 (c))	1,286	199	1,626	441
Accrued management fees (note 7)	(30)	(30)	(60)	(60)
Accrued interest receivable on convertible loan (note 7)	(16)	(42)	(30)	(53)
Depreciation	7	8	14	15
Changes in non-cash working capital				
Accounts receivable and prepayments	7	44	40	267
Accounts payable and accrued liabilities	(466)	91	(123)	(70)
	(7,111)	(568)	(4,611)	2,286
Cash flows from (applied to) investing activities				
Investments	46,625	–	75,237	–
Mineral property costs	(3,302)	(4,113)	(6,750)	(7,799)
Other assets	(1,614)	23	(1,675)	(94)
Convertible loan	–	(52)	(50)	(139)
Equipment	(29)	(24)	(36)	(42)
Insurance proceeds	–	–	–	724
	41,680	(4,166)	66,726	(7,350)
Cash flows from financing activities				
Proceeds from issuance of common shares	141	191	141	221
	141	191	141	221
Increase (decrease) in cash and cash equivalents	34,710	(4,543)	62,256	(4,843)
Cash and cash equivalents – beginning of period	46,086	92,972	18,540	93,272
Cash and cash equivalents – end of period	$ 80,796	$ 88,429	$ 80,796	$ 88,429

Supplemental cash flow information (note 9)

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

1 Nature of operations

Corriente Resources Inc. and its subsidiaries (collectively, “Corriente” or “the company”) are engaged in the exploration and development of mineral properties primarily in Ecuador, South America. The company considers itself to be a development stage enterprise.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration and development programs will result in profitable mining operations. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable reserves, receipt of necessary permits and regulatory approvals, the ability of the company to obtain financing to complete its development and future profitable operations or sale of the properties. The investment in and expenditures on mineral properties comprise a significant portion of the company’s assets.

2 Significant accounting policies

Basis of presentation

These unaudited interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles (“GAAP”) in Canada. They do not include all of the information and disclosures required by Canadian GAAP for annual financial statements. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. The unaudited interim consolidated financial statements should be read in conjunction with the company’s audited consolidated financial statements including the notes thereto for the year ended December 31, 2008.

The accounting policies followed by the company are set out in note 2 to the audited consolidated financial statements for the year ended December 31, 2008 and have been consistently followed in the preparation of these consolidated financial statements except that the company has adopted the following CICA guidelines effective January 1, 2009:

Goodwill and intangible assets (Section 3064)

The CICA issued the new Handbook Section 3064, “Goodwill and Intangible Assets”, which replaces Section 3062, “Goodwill and Intangible Assets”. The new standard establishes revised standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The new standard also provides guidance for the treatment of pre-production and start-up costs and requires that these costs be expensed as incurred if the costs do not meet the definition of property, plant and equipment. On January 1, 2009, the company adopted these changes, with no impact on its consolidated financial statements.

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities (EIC Abstract 173)

In January 2009, the CICA issued EIC Abstract 173, “Credit Risk and the Fair Value of Financial Assets and Financial Liabilities”. The EIC requires the company to take into account the company’s own credit risk and the credit risk of the counterparty in determining the fair value of financial assets and financial liabilities, including derivative instruments. This abstract applies to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2009. The adoption of this new accounting policy did not have any material impact on the company’s consolidated financial statements.

Mining Exploration Costs (EIC Abstract 174)

In March 2009, the CICA issued EIC Abstract 174, “Mining Exploration Costs”. The EIC provides guidance on the accounting and the impairment review of exploration costs. This abstract applies to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2009. The adoption of this new accounting policy did not have any material impact on the company’s consolidated financial statements.

3 Mineral properties

Corriente Copper Belt, Ecuador

Under various agreements signed and completed with certain Ecuadorian subsidiaries of BHP Billiton Plc ("BHP Billiton"), the company has earned a 100% interest in BHP Billiton’s mineral properties located in the Rio Zamora copper porphyry district (the Corriente Copper Belt) in Ecuador. This required the issue of shares to BHP Billiton and the expenditure of exploration funds under the terms of these agreements. Additionally, these mineral properties are subject to a 2% Net Smelter Royalty (“NSR”) payable to BHP Billiton, though the company has options to reduce the NSR to 1% for the Mirador/Mirador Norte, Panantza and San Carlos mineral properties upon the payment of US$2 million to BHP Billiton for each such option exercised.

Following is a summary of the company’s deferred mineral property expenditures for its mineral properties located in the Corriente Copper Belt in southeast Ecuador:

	in thousands of Canadian dollars			
	Mirador/ Mirador Norte	**Panantza/ San Carlos**	**Other**	**Total**
Balance December 31, 2007	$ 66,428	$ 7,449	$ 3,902	$ 77,779
Property concession fees	40	47	16	103
Deferred exploration and development costs	15,007	1,365	235	16,607
Balance December 31, 2008	81,475	8,861	4,153	94,489
Property concession fees	92	203	72	367
Deferred exploration and development costs	6,748	931	138	7,817
Balance June 30, 2009	$ 88,315	$ 9,995	$ 4,363	$ 102,673

Other

At June 30, 2009, the balance comprises the La Florida, San Luis, San Marcos, San Miguel and Sutzu copper exploration targets in the Corriente Copper Belt, and expenditures to develop the company's concentrate shipping port facility in Machala, Ecuador.

Measurement uncertainty

On April 18, 2008, the Constitutional Assembly of Ecuador approved a Mining Mandate (the "Mandate") which established a number of conditions and restrictions on metallic mining concessions previously issued by the Government of Ecuador. According to the Ministry of Mines and Petroleum (the "MMP"), the new Mining Law enacted on January 29, 2009 establishes the new legal framework for mining. However, the Regulations underlying the Mining Law have yet to be developed, creating some uncertainty regarding the mining industry in Ecuador. To date, the company's discussions with the MMP and legal counsel have not resulted in a determination of any material impairment in the carrying value of the company's concessions.

4 Equipment

The following table summarizes information about equipment as at June 30, 2009:

in thousands of Canadian dollars

	June 30, 2009			December 31, 2008		
	Cost	Accumulated Depreciation	Net	Cost	Accumulated Depreciation	Net
Computer	$ 962	$ 829	$ 133	$ 959	$ 698	$ 261
Construction barge facility	640	72	568	640	56	584
Software fees and licences	412	412	–	412	382	30
Office	411	180	231	409	157	252
Vehicles	367	211	156	383	193	190
Communications	285	133	152	285	107	178
Field equipment	97	55	42	97	51	46
	$ 3,174	$ 1,892	$ 1,282	$ 3,185	$ 1,644	$ 1,541

5 Other assets

The following table summarizes information about other assets as at June 30, 2009:

	in thousands of Canadian dollars	
	June 30, 2009	December 31, 2008
EIA security deposits	$ 5,731	$ 4,057
Advances on mineral property expenditures	295	228
	$ 6,026	$ 4,285

Under the new legislative and regulatory framework which the Government of Ecuador has recently implemented for the mining industry, the MMP continues to be responsible for the Environmental Impact Assessment ("EIA") process. An EIA is required before any single stage of work (e.g., initial exploration, advanced exploration, construction and operation) can proceed for a mining project in Ecuador. The Ministry of Environment of Ecuador ("MAE") has taken over responsibility for the Environmental Management Plan ("EMP") component of the EIA, and as a result, the guarantee that is required to secure the obligations of a project's EIA is now required to be issued in favour of the MAE. The amount of the required guarantee is reviewed annually by the MAE in conjunction with the MAE's annual audit of the company's EMP's.

To secure the company's project guarantees, which have been issued by a large U.S. bank, the company is required to have cash deposits in place, which vary in amount depending upon the related project's stage of development and the bank's guarantee deposit requirements.

For the Mirador Project, the company has two cash deposits in place at June 30, 2009. The original deposit, in the amount of US$3,026,000 ($3,519,000), which was previously required as security for the guarantee in favour of the MMP was refunded by the MMP on August 7, 2009, leaving a deposit in the amount of US$1,209,000 ($1,406,000) as security for the guarantee in favour of the MAE against the company's obligations under the Mirador Project EIA. For the Panantza-San Carlos Project, a cash deposit in the amount of US$447,000 ($520,000) is in place as security for the guarantee in favour of the MAE against the company's obligations under the Panantza-San Carlos Project EIA. For the Machala Port, a cash deposit in the amount of US$246,000 ($286,000) is in place as security for the guarantee in favour of the MAE against the company's obligations under the Machala Port EIA.

Advances on mineral property expenditures include payments to contractors and suppliers made pursuant to supply agreements prior to the contracted goods and services being provided.

6 Share capital

a) Authorized

Unlimited common shares, without par value

b) Issued

See Consolidated Statements of Changes in Shareholders' Equity.

c) Stock options

The company has in place an incentive stock option plan dated November 1996, last amended April 18, 2006 (the "Option Plan") for directors, officers, employees and consultants to the company and its subsidiaries. The Option Plan provides that the directors of the company may grant options to purchase common shares on terms that the directors may determine, within the limitations of the Option Plan. The number of common shares available for the grant of options under the Option Plan and all other share compensation arrangements of the company is set at a rolling maximum number that shall not be greater than 10% of the company's current number of shares outstanding at any given time. The exercise price of each option cannot be lower than the closing market price of the shares on the trading day immediately prior to the date of grant of the option. As at June 30, 2009, options to purchase a total of 3,572,500 (December 31, 2008 – 2,910,000) shares were outstanding and 1,814,064 (December 31, 2008 – 1,559,689) of the outstanding options were vested.

Effective February 1, 2006, stock options granted have the following vesting provisions:

- Options granted to executive officers, directors and other head office personnel vest on the basis of 1/16th of the total each quarter (from grant date), with such vesting being accelerated based on a change in control of Corriente or the attainment of clearly identified milestones, as determined by the company's Directors.
- Options granted to subsidiary personnel vest on a cumulative basis of 50% of the total granted after 12 months from the grant date, 75% of the total granted after 18 months from the grant date and 100% of the total granted after 24 months from grant date, with such vesting being accelerated based on a change in control of Corriente, as determined by the company's Directors.

For the six-month period ended June 30, 2009, the company recognized a stock-based compensation charge of $2,955,000 (2008 – $764,000), of which $1,535,000 (2008 – $441,000) is included in salaries, benefits and stock-based compensation, $91,000 (2008 – $Nil) is included in corporate development and shareholder expenses and $1,329,000 (2008 – $323,000) is capitalized in mineral properties.

(expressed in Canadian dollars unless otherwise noted)

During the six-month period ended June 30, 2009, the weighted average fair value of the stock options granted and those modified as approved at the company's May 2009 Annual General Meeting was $4.12 (2008 – $2.18), as estimated using the Black-Scholes Option Pricing Model with the following assumptions:

	For the six-month periods ended June 30, 2009	For the six-month periods ended June 30, 2008
Risk-free interest rate	1.27 – 2.26%	3.01 – 3.69%
Expected dividend yield	–	–
Expected stock price volatility	48 – 71%	65 – 67%
Expected option life in years	0.40 – 4.25	2.75

Option pricing models require the input of highly subjective assumptions including expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

The following table summarizes information about options granted during the six months ended June 30, 2009:

Expiry dates	Number of options	Exercise Price
January 1, 2014	300,000	$ 3.89
June 1, 2014	525,000	7.92
Total granted	825,000	

A summary of changes to stock options outstanding and exercisable is as follows:

	Six-month period ended June 30, 2009		Year ended December 31, 2008	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding – beginning of period	2,910,000	$ 4.52	2,702,500	$ 4.19
Granted	825,000	6.45	805,000	4.92
Exercised	(47,500)	2.97	(375,000)	2.82
Forfeited	(115,000)	4.68	(222,500)	4.83
Options outstanding – end of period	3,572,500	$ 4.98	2,910,000	$ 4.52
Options exercisable – end of period	1,814,064	$ 4.40	1,559,689	$ 4.28

(expressed in Canadian dollars unless otherwise noted)

The following table summarizes information about stock options outstanding and exercisable at June 30, 2009:

		Outstanding			Exercisable		
Year of Expiry	Range of exercise prices	Number of options outstanding at June 30, 2009	Weighted average exercise price	Weighted average remaining contractual life (years)	Number of options exercisable at June 30, 2009	Weighted average exercise price	Weighted average remaining contractual life (years)
2010	$ 2.27 – 2.27	325,000	$ 2.27	1.1	325,000	$ 2.27	1.1
2011	4.50 – 5.50	914,375	5.15	1.9	760,626	5.13	1.9
2012	3.66 – 4.90	710,000	4.35	2.8	432,813	4.42	2.8
2013	4.60 – 5.41	798,125	4.92	3.8	276,875	4.88	3.8
2014	3.89 – 7.92	825,000	6.45	4.8	18,750	3.89	4.5
	$ 2.27 – 7.92	3,572,500	$ 4.98	3.1	1,814,064	$ 4.40	2.3

7 Related party transactions and balances

In June 2007, the company completed the spin-off of its Caya 36 and Piedra Liza gold target assets to Q2 Gold Resources Inc. ("Q2 Gold") by means of a Plan of Arrangement (the "Arrangement"). Q2 Gold has common officers and a common Board of Directors, except that Q2 Gold has one additional director who is independent of Corriente.

In connection with the Arrangement and to assist Q2 Gold with its business objectives, Corriente and Q2 Gold entered into a collateralized, interest-bearing convertible loan agreement dated April 23, 2007, pursuant to which Corriente agreed to lend Q2 Gold up to $750,000 including accrued interest, to be advanced in installments (the "Convertible Loan"). By an amendment dated September 25, 2008, the maximum facility amount of the Convertible Loan was increased from $750,000 to $1,500,000 and the maturity date extended to December 31, 2009.

The Convertible Loan principal and unpaid interest are due on the earlier of December 31, 2009 and the first date on which Q2 Gold obtains a prospectus filing receipt with respect to any of its securities in any province of Canada. At any time prior to maturity, Corriente can require Q2 Gold to convert, in whole or in part, the principal amount outstanding and accrued interest of the Loan into Q2 Gold Shares at a conversion price equal to $0.10 per share. Q2 Gold can repay any portion of the outstanding Loan at any time prior to maturity or conversion. The company believes the conversion feature of the Convertible Loan is not material, therefore recognition and measurement of the embedded derivative is not being presented.

The current state of financial markets makes it uncertain that Q2 Gold will be able to raise the necessary debt or equity capital to repay the Convertible Loan at maturity. In the event of any default of the repayment of the Convertible Loan, the Q2 Gold assets which collateralize the Convertible Loan would become property of the company in accordance with the terms of the agreement. Management believes that the Q2 Gold assets would have a fair value greater than or equal to the current carrying value of the Convertible Loan. Significant changes in the fair value of the underlying assets could have an impact on the company up to a maximum of the carrying value of the Convertible Loan.

Corriente also provides certain non-technical management services Q2 Gold which include, but not limited to, office, general accounting, administrative and shareholder services, pursuant to a management services agreement (the "Agreement"). The Agreement provides for a fee of $10,000 per month for such services, which is accrued pursuant to the Convertible Loan.

For the six-month period ended June 30, 2009, the company accrued $60,000 (2008 – $60,000) and $30,000 (2008 – $53,000) in respect of administrative services and accrued interest on the Convertible Loan, respectively.

The foregoing related party transactions are recorded at the exchange amount, which is the amount of consideration paid or received as established and agreed to between the parties.

At June 30, 2009, the balance of the Convertible Loan receivable from Q2 Gold, including management fees and accrued interest, was $1,098,000 (December 31, 2008 – $957,000).

8 Segmented information

The company operates within a single operating segment, which is the exploration and development of copper-gold mineral properties. The company's mineral property interests are in Ecuador, as set out in note 3.

Geographic segmentation of the company's assets is as follows:

	in thousands of Canadian dollars					
	June 30, 2009			December 31, 2008		
	Canada	Ecuador	Total	Canada	Ecuador	Total
Cash and cash equivalents	$ 79,224	$ 1,572	$ 80,796	$ 17,577	$ 963	$ 18,540
Investments	–	–	–	75,237	–	75,237
Accounts receivable and prepayments	44	–	44	84	–	84
Convertible loan	1,098	–	1,098	957	–	957
Mineral properties	–	102,673	102,673	–	94,489	94,489
Equipment	107	1,175	1,282	113	1,428	1,541
Other assets	–	6,026	6,026	–	4,285	4,285
	$ 80,473	$ 111,446	$ 191,919	$ 93,968	$ 101,165	$ 195,133

Substantially all of the consolidated statements of earnings (loss) and comprehensive income (loss) for the six-month period ended June 30, 2009 and 2008 reflect the Canadian operations.

9 Supplemental cash flow information

Cash and cash equivalents comprise the following:

in thousands of Canadian dollars

		June 30, 2009		December 31, 2008
Cash on hand and balances with banks	$	1,709	$	4,588
Short-term investments, with maturity dates less than 90 days at acquisition		79,087		13,952
	$	80,796	$	18,540

At June 30, 2009 and December 31, 2008, the company's short-term investments are invested in Canadian chartered bank deposits with R1-High investment ratings (DBRS) that are easily liquidated and mature in less than 90 days. The company has no investments in asset-backed commercial paper.

During the six-month periods ended June 30, 2009 and 2008, the company's significant non-cash investing activities were as follows:

in thousands of Canadian dollars

		2009		2008
Stock-based compensation included in mineral properties	$	1,329	$	323
Depreciation included in mineral properties	$	252	$	226
Change in other assets and accounts payable and accrued liabilities relating to mineral properties	$	(174)	$	(359)