

Haemacure Corporation

Notice of Disclosure of Non-Auditor Review of Interim Financial Statements for the three months ended January 31, 2009 and 2008

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

The accompanying unaudited interim consolidated financial statements of the Corporation for the interim periods ended January 31, 2009 and 2008, have been prepared in accordance with Canadian generally accepted accounting principles and are the responsibility of the Corporation's management.

The Corporation's independent auditors, Ernst & Young LLP, have not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Dated this 12th day of March 2009.

Haemacure CorporationIncorporated under the *Canada Business Corporations Act***CONSOLIDATED BALANCE SHEETS**

[see note 1 - Basis of Presentation and Going Concern Assumption]

(Unaudited)	As at January 31, 2009 \$	As at October 31, 2008 \$
ASSETS		
Current assets		
Cash and cash equivalents	374,290	1,205,500
Investments	1,059,840	3,398,496
Accounts receivable - trade	6,052	8,225
Other receivables	76,862	91,964
Inventories	49,891	49,359
Prepaid expenses	105,274	154,184
	1,672,209	4,907,728
Property, plant and equipment	9,305,589	7,907,486
Deferred charge	201,429	208,455
Other assets	8,958	9,583
	11,188,185	13,033,252
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	2,241,078	1,585,321
Current portion of obligation under capital leases	39,831	39,149
	2,280,909	1,624,470
Obligation under capital leases	32,868	43,085
Lease obligation	112,802	102,867
Long-term debt (note 5)	2,525,743	2,444,244
	4,952,322	4,214,666
Shareholders' equity		
Share capital (note 6)	106,988,821	106,981,414
Additional paid-in capital (notes 6 et 7)	10,671,284	10,612,646
Deficit	(111,419,197)	(108,771,297)
Accumulated other comprehensive loss (note 8)	(5,045)	(4,177)
	6,235,863	8,818,586
	11,188,185	13,033,252

See accompanying notes to interim consolidated financial statements

Haemacure Corporation**CONSOLIDATED STATEMENTS OF OPERATIONS**
[see note 1 - Basis of Presentation and Going Concern Assumption]Three months ended January 31,
(Unaudited)

	2009	2008
	\$	\$
Sales	19,226	24,674
Cost of sales	9,463	11,372
	9,763	13,302
Expenses (income)		
General and administrative	1,102,001	845,371
Research and development	1,423,799	403,707
Loss on foreign exchange	20,527	11,444
Amortization of property, plant and equipment	21,678	12,442
Amortization of other assets	625	1,497
Interest on obligations under capital leases	1,371	1,720
Interest on long-term debt	100,693	15,813
Other financial expenses	-	2,062
Investment income	(13,031)	(72,397)
	2,657,663	1,221,659
Net loss for the period	(2,647,900)	(1,208,357)
Weighted average number of outstanding common shares	206,268,490	163,800,917
Basic and diluted loss per common share	(0.01)	(0.01)

See accompanying notes to interim consolidated financial statements

Haemacure Corporation**CONSOLIDATED STATEMENTS OF DEFICIT**
[see note 1 - Basis of Presentation and Going Concern Assumption]

Three months ended January 31, (Unaudited)	2009 \$	2008 \$
Deficit at beginning of period	(108,771,297)	(99,945,567)
Net loss for the period	(2,647,900)	(1,208,357)
Deficit at end of period	(111,419,197)	(101,153,924)

See accompanying notes to interim consolidated financial statements

Haemacure Corporation**CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**
[see note 1 - Basis of Presentation and Going Concern Assumption]

Three months ended January 31, (Unaudited)	2009 \$	2008 \$
Net loss for the period	(2,647,900)	(1,208,357)
Unrealized gain (loss) on available for sale investments	(5,045)	5,241
Comprehensive loss	(2,652,945)	(1,203,116)

See accompanying notes to interim consolidated financial statements

Haemacure Corporation**CONSOLIDATED STATEMENTS OF CASH FLOWS**
[see note 1 - Basis of Presentation and Going Concern Assumption]Three months ended January 31,
(Unaudited)

	2009	2008
	\$	\$
OPERATING ACTIVITIES		
Net loss for the period	(2,647,900)	(1,208,357)
Items not affecting cash:		
Amortization of property, plant and equipment	21,678	12,442
Amortization of other assets	625	1,497
Amortization of deferred charges	7,026	7,026
Accrued interest on long-term debt	70,789	15,813
Stock-based compensation expense	61,045	89,400
Increase of lease obligation	9,935	10,901
Foreign exchange gain	(8,729)	(10,384)
Unrealized gain/loss on available for sale investments	29	(12,836)
Unrealized foreign exchange loss on loan from Alfa Laval	10,710	-
	(2,474,792)	(1,094,498)
Net change in non-cash working capital balances related to operations	721,410	147,498
Cash flows relating to operating activities	(1,753,382)	(947,000)
FINANCING ACTIVITIES		
Issuance of units	5,000	-
Repayment of obligations under capital leases	(9,535)	(7,791)
Cash flows relating to financing activities	(4,535)	(7,791)
INVESTING ACTIVITIES		
Disposition of investments	2,337,759	-
Acquisition of property, plant and equipment	(1,419,781)	(954,992)
Cash flows relating to investing activities	917,978	(954,992)
Effect of exchange rate changes on cash and cash equivalents	8,729	10,384
Net decrease in cash and cash equivalents	(831,210)	(1,899,399)
Cash and cash equivalents at beginning of period	1,205,500	3,591,883
Cash and cash equivalents at end of period	374,290	1,692,484
Supplemental information		
Interest paid	1,371	3,782

See accompanying notes to interim consolidated financial statements

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

January 31, 2009
(Unaudited)

1. BASIS OF PRESENTATION AND GOING CONCERN ASSUMPTION

Basis of Presentation

These unaudited interim consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP") applicable to interim financial statements and use the same accounting policies and methods used in the preparation of the Corporation's most recent audited annual consolidated financial statements. All disclosures required for the audited annual consolidated financial statements have not been included in these unaudited consolidated financial statements except as noted below. Therefore, these unaudited interim consolidated financial statements should be read in conjunction with the Corporation's most recent audited annual consolidated financial statements.

For further information, refer to the audited consolidated financial statements and footnotes thereto for the year ended October 31, 2008.

Going Concern Assumption

These unaudited interim consolidated financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business for the foreseeable future. The use of these principles may not be appropriate. As at January 31, 2009, there is significant uncertainty that the Corporation will be able to continue as a going concern without obtaining additional financial resources.

The Corporation has not realized profit from operations since its inception and has an accumulated deficit of \$111.4 million. The Corporation's committed cash obligations and expected level of expenses exceed the committed sources of funds and funds available at January 31, 2009. The Corporation is in the development stage and will not generate significant revenues or profitable operations in the near future and there can be no assurance that it will achieve profitability in the future. In February 2009, the Corporation has implemented restructuring measures to provide a window of approximately 90 days in which to arrange a bridge loan, obtain new financing, or sell or merge the Corporation. As a result, there is significant uncertainty regarding the Corporation's ability to continue as a going concern.

The Corporation's ability to continue as a going concern is dependent upon its raising additional financing, developing and bringing its technology to market, obtaining the necessary regulatory approvals and achieving and maintaining profitable operations. The outcome of many of these matters are outside of the Corporation's control and cannot be predicted at this time. It will be necessary for the Corporation to raise additional funds for the continuing development and marketing of its technologies. These unaudited interim consolidated financial statements do not include any adjustments and classifications of assets and liabilities, which might be necessary should the Corporation be unable to continue its operations. Such adjustments could be material.

2. CHANGES IN ACCOUNTING POLICIES

In February 2008, the Accounting Standards Board ("AcSB") issued Section 3064 *Goodwill and intangible assets* which replaces Section 3062, *Goodwill and intangible assets* and Section 3450 *Research and development costs*. For the Corporation, this Section is effective for interim and annual financial statements beginning on November 1, 2008. This Section establishes standards for the recognition, measurement, and disclosure of goodwill and intangible assets. The adoption of this new section had no impact on the Corporation's interim consolidated financial statements.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

January 31, 2009
(Unaudited)

3. FINANCIAL INSTRUMENTS

The classification of financial instruments and their carrying amounts and fair values are as follows as at :

	January 31, 2009					
	Available for sale	Loans and receivables	Other financial liabilities	Derivatives	Carrying value Total	Fair value Total
	\$	\$	\$	\$	\$	\$
Financial assets						
Cash and cash equivalents	374,290	-	-	-	374,290	374,290
Investments	1,059,840	-	-	-	1,059,840	1,059,840
Accounts receivable - trade	-	6,052	-	-	6,052	6,052
Other receivables (1)	-	26,434	-	-	26,434	26,434
	1,434,130	32,486	-	-	1,466,616	1,466,616
Financial liabilities						
Accounts payable and accrued liabilities	-	-	2,241,078	-	2,241,078	2,241,078
Long-term debt	-	-	2,583,981	(58,238)	2,525,743	2,525,743
	-	-	4,825,059	(58,238)	4,766,821	4,766,821
October 31, 2008						
	Available for sale	Loans and receivables	Other financial liabilities	Derivatives	Carrying value Total	Fair value Total
	\$	\$	\$	\$	\$	\$
Financial assets						
Cash and cash equivalents	1,205,500	-	-	-	1,205,500	1,205,500
Investments	3,398,496	-	-	-	3,398,496	3,398,496
Accounts receivable - trade	-	8,225	-	-	8,225	8,225
Other receivables (1)	-	31,091	-	-	31,091	31,091
	4,603,996	39,316	-	-	4,643,312	4,643,312
Financial liabilities						
Accounts payable and accrued liabilities	-	-	1,585,321	-	1,585,321	1,585,321
Long-term debt	-	-	2,503,906	(59,662)	2,444,244	2,444,244
	-	-	4,089,227	(59,662)	4,029,565	4,029,565

(1) Excluding investment tax credits, commodity and other taxes

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

January 31, 2009
(Unaudited)

3. FINANCIAL INSTRUMENTS (cont'd)

Fair value

Fair value is the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. The Corporation uses the following methods and assumptions to establish the fair value for each class of financial instruments:

Available for sale

Cash equivalents and investments - The fair market value is determined using quoted market prices.

Cash equivalents and investments were classified as available for sale due to their short-term nature and the fact that they must be readily available to finance the Corporation's operations.

Loans and receivables

Accounts receivables and other receivables - The carrying amount is a reasonable approximation of fair value due to the short-term nature of the accounts.

Other financial liabilities

The carrying amounts of accounts payable and accrued liabilities included on the balance sheet are measured at amortized cost which approximates fair value due to the short-term nature of these accounts. The long-term debt with Investissement Québec has a floating interest rate and its fair value is not readily determinable given its specific nature. The carrying amount of the long-term debt with Alfa Laval approximates its fair value given that the imputed interest rate reflects rates currently available for similar debts.

Foreign Currency risk

We operate internationally and a portion of our expenses are incurred in US dollars. A significant change in the currency exchange rate between the Canadian dollar relative to the US dollar could have a material effect on our consolidated results of operations, financial position or cash flows. We have not hedged our exposure to currency fluctuations. As at January 31, 2009, financial assets, consisting primarily of cash and cash equivalents, denominated in US dollars totaled US\$256,551 (US\$531,904 as at October 31, 2008) and financial liabilities denominated in US dollars totaled US\$2,278,482 (US\$1,946,686 as at October 31, 2008). At January 31, 2009, a fluctuation of 10% in the currency exchange rate could result in a fluctuation of approximately \$176,500 on our consolidated results of operations, based on the first quarter US dollar expenditures, and nil on our comprehensive loss.

Credit risk

Cash equivalents are mainly investments in government guaranteed securities and Canadian bankers' acceptances that are readily convertible into a known amount of cash and have an original maturity of three months or less from the date of purchase. Investments are government guaranteed or issued by banks and are subject to minimal risk.

The Corporation's concentration of credit risk with respect to trade accounts receivable is limited because of the large number of customers. As at January 31, 2009 three customers represented more than 10% of trade accounts receivable (as at October 31, 2008, one customer represented more than 10% of trade accounts receivable). The Corporation's maximum credit risk exposure is limited to the carrying value of its cash and cash equivalents, investments and accounts receivable.

Liquidity risk

Haemacure's investment policy is to invest its excess cash in high-grade investment securities with varying terms to maturity, selected with regard to the expected timing of expenditures for continuing operations.

Our investments are comprised of investments in government guaranteed corporate bonds. Our investments are therefore subject to minor fluctuations in value.

The Corporation's accounts payable and accrued liabilities are due within 1 year. The timing of repayments related to the loan from Investissement Québec cannot be determined (see note 5). The timing of payments related to the loan from Alfa Laval is approximately \$164,000 within one year, \$2.4 million in 1 to 5 years and \$612,000 after 5 years.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

January 31, 2009
(Unaudited)

3. FINANCIAL INSTRUMENTS (cont'd)**Interest rate risk**

The Corporation has long-term debt which exposes it to interest rate risk through fluctuations in the rate prescribed by the Ministère du Revenu du Québec. As at January 31, 2009, a fluctuation of 2% in interest rates would have increased or decreased the net loss and comprehensive loss by approximately \$6,600 and nil respectively.

4. CAPITAL

The Corporation's objective when managing capital is to safeguard the entity's ability to continue as a going concern which is dependent on its raising additional financing, developing and bringing its technology to market, obtaining the necessary regulatory approvals and achieving and maintaining profitable operations to provide returns for shareholders and benefits for other stakeholders.

In the management of capital, the Corporation includes shareholders' equity (excluding other comprehensive loss income), long-term debt and obligation under capital leases, as follows:

	As at January 31 2009	As at October 31 2008
	\$	\$
Shareholder's equity (excluding accumulated other comprehensive loss)	6,240,908	8,822,763
Long-term debt	2,525,743	2,444,244
Obligations under capital leases	72,699	82,234
	8,839,350	11,349,241

5. LONG-TERM DEBT

	As at January 31 2009	As at October 31 2008
	\$	\$
Loan from Investissement Québec a)	1,322,365	1,310,255
Debt with Alfa Laval b)	1,261,616	1,193,651
Less: derivative	(58,238)	(59,662)
	2,525,743	2,444,244

a) Under the terms of the agreement with Investissement Québec ("IQ"), this loan bears interest at a rate equal to the floating rate prescribed by the Ministère du Revenu du Québec less 4% (3% as at January 31, 2009 and 4% as at October 31, 2008). Interest for the three-month period ended January 31, 2009 amounting to \$12,110 (\$59,621 for the year ended October 31, 2008) has been capitalized to the loan in accordance with the provisions of the loan agreement. The loan and interest thereon will be repayable in installments equal to 10% of gross sales of products stemming from the sale of internally developed fibrin sealants (Hemaseel HMN). As of January 31, 2009, no such products had been sold. After repayment of the loan and the interest thereon, the Corporation will pay a royalty equal to 2% of gross sales from the date of final repayment until the end of a period of ten years starting with the commencement of the commercialization of these products. The Corporation will have to reimburse the loan immediately if the Hemaseel HMN project is interrupted or aborted.

b) Long-term debt with Alfa Laval, in the amount of \$1,029,816 (US\$837,862), bearing interest at 10%, maturing in January 2015 and collateralized by manufacturing equipment with a carrying amount of \$1.8M at January 31, 2009. In addition to the 10% interest rate, the principal amount of the debt is increased by US\$45,000 each quarter ("Debt Increase"). As a result, the debt has an effective interest rate of 29.23%. The debt is repayable in quarterly installments, interest only, from July 2008 until January 2010, interest and Debt Increase, from April 2010 until January 2011, and principal, including Debt Increase, and interest, from April 2011 until January 2015. The Corporation has the option to repay the balance of the debt each quarter without penalty, which option was valued at \$58,238 (US\$47,400) and recorded as a reduction in the debt.

Haemacure Corporation**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

January 31, 2009
(Unaudited)

5. LONG-TERM DEBT (cont'd)

The minimum annual long-term principal repayments, excluding those relating to the IQ loan, are as follows over the next five years:

	\$
2010	-
2011	193,089
2012	257,452
2013	257,452
2014	257,452

6. SHARE CAPITAL**Authorized**

Unlimited number of common shares, without par value, voting and participating.

Unlimited number of preferred shares, without par value, non-voting, issuable in series, with such rights and conditions as may be determined by the Board of Directors.

In January 2009, Haemacure received \$5,000 through the exercise of 50,000 broker warrants at a price of \$0.10 per unit. The original value of these broker warrants was \$5,000 and was previously included in additional paid-in capital. Each unit is comprised of one common share, one-half of a Series A common share purchase warrant and one-half of a Series B common share purchase warrant. The resulting 50,000 warrants have been valued at \$2,600 using the Black-Scholes option pricing model. For Series A and B warrants, the pricing model assumed an expected life of 3 years, volatility of 85%, risk-free interest of 1.20% and no dividend yield. This amount was allocated to additional paid-in capital and the balance of \$7,400 was allocated to common shares.

As at January 31, 2009, the number of common shares outstanding was 206,316,298 (October 31, 2008: 206,266,298) and nil preferred shares were issued.

Warrants

As at January 31, 2009 there were 131,955,000 warrants outstanding having a weighted-average exercise price of \$0.26 (October 31, 2008: 131,905,000). As at January 31, 2009 there were nil broker warrants outstanding (October 31, 2008: 5,004,000).

7. STOCK OPTION PLAN

A summary of the situation as at January 31, 2009 of the Corporation's fixed-price stock option plan and the changes made during the three-month period then ended is shown below:

	Options	Weighted average exercise price
Outstanding options, as at October 31, 2008	14,322,887	0.35
Granted	-	-
Expired	(36,000)	5.60
Outstanding options, as at January 31, 2009	14,286,887	0.34
Exercisable options, as at January 31, 2009	11,042,887	0.40

An amount of \$89,400 was recorded as an expense in general and administrative expenses in the consolidated statements of operations and was credited to additional paid-in capital during the quarter ended January 31, 2008 for the fair value of stock options granted to directors, determined using the Black-Scholes option pricing model, with a volatility of approximately 74%, a risk-free interest rate of 4.05%, a dividend yield of nil and an expected life of the options of 10 years. The weighted-average grant date fair value of stock options granted during the quarter ended January 31, 2008 was \$0.09.

Haemacure Corporation**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

January 31, 2009
(Unaudited)

8. ACCUMULATED OTHER COMPREHENSIVE (LOSS) INCOME

Cash equivalents and investments classified as available for sale constitute the sole items affecting Accumulated Other Comprehensive Income. The changes that occurred during the period were as follows:

	For the three months ended January 31,	
	2009	2008
	\$	\$
Balance, beginning of period	(4,177)	21,277
Changes to unrealized gain (loss) on available for sale investments	(868)	(16,036)
Balance, end of period	(5,045)	5,241

9. SEGMENT DISCLOSURES

The Corporation considers that it is operating in a single segment, being the market of acute surgical wound care. The Corporation allocates sales to individual countries according to the location of its customers.

Geographic information

	Sales		Property, plant and equipment	
	For the three months ended January 31, 2009	For the three months ended January 31, 2008	As at January 31, 2009	As at October 31, 2008
	\$	\$	\$	\$
Canada	-	-	143,261	155,117
United States	19,226	24,674	9,162,328	7,752,369
	19,226	24,674	9,305,589	7,907,486

10. RELATED PARTY TRANSACTIONS

During the quarter, one director provided consulting services to the Corporation. The total cash consideration paid by the Corporation during the quarter for such services totaled \$3,176 (\$16,659 for the first quarter of fiscal 2008) at the exchange amount, being the amount agreed upon by the parties, and were charged to general and administrative expenses.