EAGLE PEAK RESOURCES INC

Financial Statements

September 30, 2007
and
September 30, 2006

D E V I S S E R G R A Y L L P
CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

To the Directors of Eagle Peak Resources Inc.

We have audited the balance sheets of Eagle Peak Resources Inc. as at September 30, 2007 and September 30, 2006, and the statements of operations, comprehensive loss and deficit and cash flows for the year ended September 30, 2007 and for the period from incorporation on October 7, 2005 to September 30, 2006. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2007 and 2006 and the results of its operations, comprehensive loss and cash flows for the year ended September 30, 2007 and the period from incorporation on October 7, 2005 to September 30, 2006 in accordance with Canadian generally accepted accounting principles.

"De Visser Gray LLP"

CHARTERED ACCOUNTANTS
Vancouver, BC
June 27, 2008

EAGLE PEAK RESOURCES INC.
Balance Sheet
As at September 30,

	2007	2006 (Note 11)
	$	$
A S S E T S		
Current assets		
Cash and cash equivalents	1,169,782	742,254
Accounts receivable	92,828	9,959
Prepaid expenses	125,212	38,993
Due from related parties (note 6)	-	5,302
	1,387,822	796,508
Reclamation deposit	23,500	5,500
Mineral property costs (note 3)	2,679,779	978,388
Equipment (note 4)	40,815	38,082
	4,131,916	1,818,478
L I A B I L I T I E S		
Current liabilities		
Accounts payable and accrued liabilities	432,752	23,113
Due to related parties (note 6)	9,497	-
	442,249	23,113
S H A R E H O L D E R S' E Q U I T Y		
Share capital (note 5(a))	3,541,234	1,185,402
Obligation to issue shares (note 5(b))	621,000	793,765
Deficit	(472,567)	(183,802)
	3,689,667	1,795,365
	4,131,916	1,818,478

Continuance of Operations (note 1)

Approved on behalf of the Board of Directors:

Director

Director

See notes to financial statements

EAGLE PEAK RESOURCES INC.

Statements of Operations, Comprehensive Loss and Deficit

For the year to September 30, 2007 and the period from incorporation on October 7, 2005 to September 30, 2006

	2007	2006
		(Note 11)
	$	$
Expenses		
Advertising and promotion	73,839	38,062
Amortization	16,197	7,110
Consulting fees	8,000	3,000
Interest and bank charges	240	618
Legal, audit and accounting	57,994	25,849
Management fees	38,820	30,000
Office	12,680	19,606
Other	3,913	500
Rent	13,200	10,000
Shareholder communication	43,347	31,143
Telephone	12,171	7,136
Travel	17,560	10,925
Net loss before other item	(297,961)	(183,949)
Interest income	9,196	147
Net loss for the period	(288,765)	(183,802)
Deficit - beginning of period	(183,802)	-
Deficit - end of year	(472,567)	(183,802)
Loss per share	$ (0.02)	$ (0.02)
Weighted average number of common shares outstanding	19,340,507	10,130,594

EAGLE PEAK RESOURCES INC.

Statements of Cash Flows

For the year to September 30, 2007 and the period from incorporation on October 7, 2005 to September 30, 2006

	2007	2006
		(Note 11)
	$	$
Cash provided by (used for):		
Operating Activities		
Loss for the period	(288,765)	(183,802)
Adjustment for item not involving cash:		
Amortization	16,197	7,110
	(272,568)	(176,692)
Changes in non-cash working capital items:		
Amounts receivable	(82,870)	(9,959)
Prepaid expenses	(86,219)	(38,993)
Due from related parties	14,799	(5,302)
Accounts payable and accrued liabilities	34,304	23,113
	(392,554)	(207,833)
Financing Activities		
Proceeds received for shares issued	1,454,567	1,060,502
Proceeds received for shares to be issued	621,000	793,765
	2,075,567	1,854,267
Investing Activities		
Mineral properties and deferred expenditures	(1,218,555)	(853,488)
Purchase of equipment	(18,930)	(45,192)
Reclamation deposit	(18,000)	(5,500)
	(1,255,485)	(904,180)
Net cash provided during the period	427,528	742,254
Cash - beginning of period	742,254	-
Cash - end of year	1,169,782	742,254
Interest received	$ 9,196	$ 147

Supplementary disclosure of Non-Cash Investing Activity:

During the year ended September 30, 2007, the Company issued 716,666 common shares at a deemed value of $0.15 per share for mineral property interests.

During the eleven month period ended September 30, 2006, the Company issued 7,000,000 common shares at a deemed value $0.01 per share and 366,000 shares at a deemed value of $0.15 for mineral property interests.

See notes to financial statements

EAGLE PEAK RESOURCES INC.
Schedule of Mineral Property Costs

	September 30, 2005	Net Expenditures	September 30, 2006	Net Expenditures	September 30, 2007
	$	$	$	$	$
Big Onion					
Acquisition	-	160,500	160,500	84,112	244,612
Accommodation and travel	-	19,891	19,891	12,014	31,905
Assays	-	43,568	43,568	61,560	105,128
Drilling	-	288,013	288,013	842,628	1,130,641
Field equipment	-	17,272	17,272	83,060	100,332
Geological	-	165,451	165,451	236,774	402,225
Labour	-	13,150	13,150	98,260	111,410
Legal	-	-	-	29,284	29,284
Office	-	40,396	40,396	48,637	89,033
Recording	-	3,719	3,719	1,649	5,368
	-	751,960	751,960	1,497,978	2,249,938
Miocene Peak					
Acquisition	-	84,900	84,900	70,000	154,900
Field equipment	-	-	-	658	658
Geological	-	-	-	13,800	13,800
Geophysical	-	126,528	126,528	-	126,528
Recording	-	15,000	15,000		15,000
	-	226,428	226,428	84,458	310,886
Ferry Creek & Cas					
Acquisition	-	-	-	15,000	15,000
Field equipment	-	-	-	451	451
Travel	-	-	-	10,000	10,000
	-	-	-	25,451	25,451
Granite Mountain					
Acquisition	-	-	-	25,000	25,000
Geological	-	-	-	17,508	17,508
Office	-	-	-	1,278	1,278
	-	-	-	43,786	43,786
Dome Mountain					
Acquisition	-	-	-	46,179	46,179
Geological	-	-	-	3,539	3,539
	-	-	-	49,718	49,718
Total Mineral Property Costs	-	978,388	978,388	1,701,391	2,679,779

See notes to financial statements

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

The Company was incorporated under the Canadian Business Corporations Act on October 7, 2005 and its principal activity is the acquisition and exploration of mineral properties located in British Columbia. The Company does not generate any cash flow from its operations to fund its exploration activities and has relied upon the issuance of securities for financing. The Company intends to continue relying upon the issuance of 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 Accounting

These financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). Summarized below are those policies considered particularly significant to the Company.

Mineral Properties and Deferred Costs

The cost of mineral properties and their related direct exploration costs are deferred until the properties are placed into production, sold or abandoned. These deferred costs will be amortized on the unit-of-production basis over the estimated useful life of the property following the commencement of production, or written-off if the properties are sold, allowed to lapse or abandoned.

Cost includes any cash consideration and the fair market value of shares issued on the acquisition of property interests. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when the payments are made. The recorded amounts of property acquisition costs and their related deferred exploration costs represent actual expenditures incurred and are not intended to reflect present or future values.

The Company reviews capitalized costs on its property interests on a periodic basis and will recognize an impairment in value based upon current exploration results and upon management's assessment of the future probability of profitable revenues from the property or from the sale of the property. Management's assessment of the property's estimated current fair market value is also based upon a review of other property transactions that have occurred in the same geographic area as that of the property under review.

Administrative costs are expensed as incurred.

Cost of Maintaining Mineral Properties

The company does not accrue the estimated future costs of maintaining its mineral properties in good standing.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Share Capital

Common shares issued for non-monetary consideration are recorded at the fair market value based upon previous issues of the Company's shares on the date of the agreement to issue the shares or the date of their issuance.

Stock-Based Compensation

The Company accounts for stock-based compensation using a fair value-based method.

Equipment

Equipment is amortized over its estimated useful economic life using the declining balance method at annual rates of 30% for vehicle and 45% for computer.

Future Income Taxes

The Company accounts for potential future net tax assets which are attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and which are measured using tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be settled. When the future realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the potential future benefit is taken and no net asset is recognized. Such an allowance has been applied to all potential income tax assets of the Company.

Environmental Expenditures

The operations of the Company have been and may in the future, be affected in varying degrees by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company vary greatly from country to country and are not predictable.

Environmental expenditures that relate to ongoing environmental and reclamation programs are charged against operations as incurred or capitalized and amortized depending on their expected future economic benefit. Estimated future removal and site restoration costs are recognized when the ultimate liability is reasonably determinable, and are charged against operations over the estimated remaining life of the related business operations, net of expected recoveries.

Asset Retirement Obligations

The fair value of a liability for an asset retirement obligation is recognized on an undiscounted cash flow basis when a reasonable estimate of the fair value of the obligation can be made. The asset retirement obligation is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement cost is allocated to expense using a systematic and rational method and is adjusted to reflect period-to-period changes in the liability resulting from the passage of time and from revisions to either expected payment dates or the amounts comprising the original estimate of the obligation. As at September 30, 2007, the Company does not have any asset retirement obligations.

Retirement of Long-Lived Assets

Long-lived assets are assessed for impairment when events and circumstances warrant, when the carrying amounts of the assets exceeds its estimated undiscounted net cash flow from use or its fair value, at which time the impairment is charged to earnings.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Use of Estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the dates of the financial statements, as well as the reported amounts of revenues and expenses incurred during the periods. Actual results could differ from those estimated.

Loss Per Share

Loss per share has been calculated using the weighted-average number of common shares outstanding during the period. Diluted loss per share is not presented as it is anti-dilutive.

Fair Value of Financial Instruments

Effective October 1, 2006, the Company adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA") relating to financial instruments. These new standards have been adopted on a prospective basis with no restatement to prior period financial statements.

(a) Section 3855 – Financial Instruments – Recognition and Measurement.

This standard sets out criteria for the recognition and measurement of financial instruments for fiscal years beginning on or after October 1, 2006. This standard requires all financial instruments within its scope, including derivatives, to be included on a Company's balance sheet and measured either at fair value or, in certain circumstances when fair value may not be considered most relevant, at cost or amortized cost. Changes in fair value are to be recognized in the statements of operations and comprehensive income (loss).

All financial instruments are classified into one of the following five categories: held for trading, held-to-maturity, loans and receivables, available-for-sale financial assets, or other financial liabilities. Initial and subsequent measurement and recognition of changes in the value of financial instruments depends on their initial classification:

- Held-to-maturity investments, loans and receivables, and other financial liabilities are initially measured at fair value and subsequently measured at amortized cost.
- Available-for-sale financial assets are measured at fair value. Revaluation gains and losses are included in other comprehensive income (loss) until the asset is removed from the balance sheet.
- Held for trading financial instruments are measured at fair value. All gains and losses are included in net earnings (loss) in the period in which they arise.
- All derivative financial instruments are measured at fair value, even when they are part of a hedging relationship. All gains and losses are included in net earnings (loss) in the period in which they arise.

In accordance with this new standard, the Company has classified its financial instruments as follows:

- Investment is classified as an available-for-sale investment. Such investment is measured at fair market value in the financial statements with unrealized gains or losses recorded in comprehensive income (loss). At the time securities are sold or otherwise disposed of, gains or losses are included in net earnings (loss).

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

(b) Section 1530 – Comprehensive Income (Loss).

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events, and circumstances from other than the Company's shareholders. This standard requires certain gains and losses that would otherwise be recorded as part of net earnings to be presented in other "comprehensive income (loss)" until it is considered appropriate to recognize into net earnings (loss). This standard requires the presentation of comprehensive income (loss), and its components in a separate financial statement that is displayed with the same prominence as the other financial statements.

Accordingly, the Company now reports a statement of comprehensive income and includes the account "accumulated other comprehensive income" in the shareholders' equity section of the balance sheet.

Accounting Policies Not Yet Adopted

The following pronouncements recently issued by the Canadian Institute of Chartered Accountants ("CICA") will likely impact the Company's future accounting policies:

a) CICA Handbook Section 1535 - Capital Disclosures

This standard requires disclosure of an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital and whether the entity has complied with any capital requirements and, if it has not complied, the consequences of such non-compliance. This standard is effective for the Company for interim and annual periods relating to fiscal years beginning on or after January 1, 2008. The Company is currently evaluating the effects of adopting this standard.

b) Financial Instruments - Disclosure (Section 3862) and Presentation (Section 3863)

These standards replace CICA 3861, *Financial Instruments - Disclosure and Presentation.* They increase the disclosures currently required, which will enable users to evaluate the significance of financial instruments for an entity's financial position and performance, including disclosures about fair value. In addition, disclosure is required of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk. The quantitative disclosures must provide information about the extent to which the entity is exposed to risk, based on information provided internally to the entity's key management personnel. This standard is effective for the Company for interim and annual periods beginning on or after January 1, 2008. The Company expects that its disclosures will be expanded to incorporate the additional requirements.

c) International Financial Reporting Standards ("IFRS")

In February 2008 the Canadian Accounting Standards Board announced 2011 as the changeover date for publicly-listed companies to use IFRS, replacing Canada's own generally accepted accounting principles. The specific implementation is set for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

3. MINERAL PROPERTY COSTS

Big Onion Property
Omineca Mining Division
British Columbia

By Agreements dated August 17, 2007 and an Amending Agreement dated March 26, 2008, the Company was assigned the option to earn a 100% interest in one mining claim (subject to a 2.75% Net Smelter Returns Royalty ("NSR") by a private company controlled by two common directors ("0737141 BC"). To complete the option, the Company is to make a series of payments aggregating $900,000 by November 15, 2009 ($80,000 paid to September 30, 2007, $120,000 paid by the Company subsequently) and issue 500,000 common shares to Twin Peak Resources Ltd (subsequently issued) as part of a Settlement Agreement entered into during the current year. In addition, the March 26, 2008 Amending Agreement calls for the issuance of 500,000 common shares of Metal Mountain Resources Inc. over the next five years.

By Agreements dated October 20, 2005, and September 11, 2006, the Company also obtained a 100% interest (subject to a 3% NSR, currently 2.75% NSR) in two mining claims from 0737141 BC by issuing 6,000,000 common shares valued at $0.01 per share. The Company purchased 0.25% of the NSR by paying $100,000 to 0737141 BC.

Miocene Peak Property
Cariboo Mining Division
British Columbia

By Agreement dated October 20, 2005, the Company has a 100% interest (subject to a 3% NSR) in 13 mining claims obtained from a private company controlled by two common directors ("Quantum") for consideration of 1,000,000 common shares valued at $0.01 per share.

The Company has four additional options to acquire 38 mining claims in total for this property. By Agreement dated October 21, 2005, the first option is to acquire a 100% interest in five mining claims (subject to a 2% NSR), is to be completed upon payment of $10,000 (paid) and the issue of 300,000 common shares (200,000 issued to September 30, 2007 and 100,000 issued subsequently).

By Agreement dated January 9, 2006, the second option is to acquire a 100% interest in 15 mining claims (subject to a 3% NSR), was obtained from a private company controlled by a director's spouse. Consideration is payment of $5,000 (paid) and the issue of 333,000 common shares (233,000 issued to September 30, 2007 and 100,000 issued subsequently).

By Agreement dated January 9, 2006, the third option was to acquire a 100% interest in 13 mining claims (subject to a 3% NSR), can be completed upon payment of $5,000 (paid) and the issue of 333,000 common shares (233,000 issued to September 30, 2007 and 100,000 issued subsequently).

The NSRs in these three options are purchasable in whole or in part for $500,000 per each ½ of 1%, payable in cash or Company common shares valued at the lowest price provided for under TSX rules.

By Agreement dated June 12, 2007, the fourth option, to acquire a 100% interest in five claims (subject to a 3% NSR), was obtained in fiscal 2007 from Quantum and completed through the issue of 166,666 common shares.

Ferry Creek & Cas Property
Kamloops Mining Division
British Columbia

By Agreement dated May 24, 2007 and Amended Agreement dated June 27, 2008, the Company purchased the option for a total of $90,000 and the issuance of a total of 100,000 shares. A total of $ 40,000 has been paid and the remaining $50,000 will be paid May 24, 2009. The May 24, 2007 Agreement called for net smelter provisions and work commitments which are waived under the June 27, 2008 Agreement.

3. MINERAL PROPERTY COSTS *(continued)*

Granite Mountain Property
Cariboo Mining Division
British Columbia

By Agreement dated June 12, 2007, the Company has an option to earn a 100% interest in seven mining claims (subject to a 2% NSR), to be completed with $10,000 cash (paid in fiscal 2007) and the issue of 300,000 shares by June 12, 2009 (100,000 issued to September 30, 2007 and 100,000 issued subsequently). Any or all of the NSR is purchasable for $500,000 in cash or shares for each ½ of 1%.

Dome Mountain Property
Omineca Mining Division
British Columbia

By Agreement dated June 27, 2007,the Company made an initial payment of $20,000 and issued 150,000 common shares which entitled the Company to 100% interest in six mining claims and one lease. The Agreement is subject to a 2% NSR, additional cash payments of $380,000 to July 1, 2012 (cash payments of $40,000 made July 1, 2008) and the issuance of an additional 150,000 common shares on July 31, 2008. The company also agreed to discharge the claim of lien filed by Jack Decoteau Excavating Inc. against the mining lease (Tenure 308801).

4. EQUIPMENT

	2007			2006
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	$	$	$	$
Vehicles	40,777	16,515	24,262	34,660
Computer	23,344	6,791	16,553	3,422
	64,121	23,306	40,815	38,082

5. SHARE CAPITAL

(a) Authorized share capital consists of an unlimited number of common shares.

	2007		2006	
	Number of Shares	Amount $	Number of Shares	Amount $
Issued - beginning of period	14,436,003	1,185,402	-	-
Subscriptions	7,459,019	2,248,332	7,070,003	1,060,502
Mineral properties	716,666	107,500	7,366,000	124,900
Issued - end of year	22,611,688	3,541,234	14,436,003	1,185,402

(b) At September 30, 2007, the Company had received $621,000 (2006 - $793,765) for shares which were issued subsequently. Refer to note 9.

6. **RELATED PARTY TRANSACTIONS**

All transactions with related parties have occurred in the normal course of operations and are measured at their fair value as determined by management.

During the year ended September 30, 2007, the Company President charged $38,820 (2006 - $30,000) in management fees pursuant to a contract at $3,000 per month and was owed $3,176 (2006 - $92) for expense reimbursements at September 30, 2007. A private company co-owned by the Company's President and his father, a Company director, charged $31,195 in exploration fees during fiscal 2007 (2006 - $13,150) and owed $1,624 at September 30, 2007 (2006 - $5,394) for advances.

The President's nephew charged $35,500 during fiscal 2007 (2006 - $30,297) for shareholder communications services pursuant to a contract of between $2,500 to $3,000 per month and was owed $7,945 at September 30, 2007 (2006 - nil).

A Company director's spouse charged $2,500 for consulting during fiscal 2007 (2006 - $1,500).

Refer to notes 3 and 9.

7. **INCOME TAXES**

A reconciliation of income taxes at statutory rates is as follows:

	2007 $	2006 $
Loss for the period	(288,765)	(183,802)
Expected income tax recovery	(50,880)	(65,470)
Net adjustment for amortization, deductible and non-deductible amounts	6,818	3,049
Unrecognized benefit of non - capital losses	44,062	62,421
Total income taxes	-	-

The significant components of the Company's future income tax assets are as follows:

	2007 $	2006 $
Future income tax assets:		
Mineral properties	(5,160)	-
Equipment	4,107	1,253
Non - capital loss carryforwards	78,385	30,878
Valuation allowance	(77,332)	(32,131)
Net future tax assets	-	-

The Company has non-capital losses of approximately $444,865(2006 - $175,241) which are available to reduce future taxable income in Canada and which expire between 2026 and 2027. Subject to certain restrictions, the Company also has mineral property and equipment expenditures of approximately $2,696,000 (2006 - $1,005,000) available to reduce taxable income in future years and approximately $2,008,000 (2006 - $664,000) in pre-production mining exploration tax credits which expire between 2026 and 2027. The Company has not recognized any future benefit for these tax losses and resource and equipment deductions as it is not considered likely that they will be utilized.

8. **COMMITMENT**

The Company has office and equipment lease commitments at report date as follows:

2008	$	66,443
2009	$	186,815
2010	$	190,476
2011	$	192,673
2012	$	195,656
Thereafter	$	146,223
	$	978,286

9. **SUBSEQUENT EVENTS**

In addition to items disclosed elsewhere in these notes, the following occurred during the period subsequent to September 30, 2007:

The Company granted to directors and employees stock options to purchase 6.6 million Company common shares at a price of $0.15 per share with 100,000 expiring September 2008 and the remaining 6.5 million between January and August of 2013.

The Company issued to subscribers 2,968,874 common shares at $1.00 per share. Proceeds for these shares were received by the Company. There was $49,998 received in subscriptions for 15,151 units at $3.30 per unit.

By Agreement dated January 29, 2008, the Company made an initial payment of $125,000 and issued 50,000 common shares which entitled the Company to an Option providing a 100% interest in the 15 mining claims in the Cariboo Mining Division (the "Miocene-Miracle" Property) from a private Company controlled by a director's spouse. By the issuance of an additional 150,000 common shares by January 29, 2011, the Option is deemed to be exercised. The Agreement is subject to a 3% NSR, with all or a portion of 1% of the NSR purchasable for the sum of $500,000 for each ½ of 1%.

By Agreement dated March 15,2008 (with an Effective Date of April 14, 2008), the Company made an initial payment of $25,000 and issued 50,000 common shares to acquire an Option providing a 100% interest in two mining claims in the Cariboo Mining Division (the "Silver Vista" Property). By making additional cash payments of $400,000 and issuing an additional 600,000 common shares by April 14, 2012, the Option is deemed to be exercised. The Agreement is subject to a 3% NSR with all or a portion of 1% of the NSR purchasable for the sum of 500,000 for each ½ of 1%.

By Agreement dated February 29, 2008 (with an Effective Date of March 19, 2008), the Company made an initial payment of $10,000 and issued 100,000 common shares to acquire an Option providing a 100% interest in four mining claims in the Omineca Mining Division (the "Freegold" Property). By making additional cash payments of $110,000 and issuing an additional 300,000 common shares by March 19, 2011, incurring exploration expenditure of $500,000 by March 19, 2012 and issuing an additional 200,000 common shares upon commercial production, the Option is deemed to be exercised. The claims are subject to a 2% NSR with 1% purchasable for $1 million. Advance royalty payments of $20,000 per annum are due beginning March 19, 2013.

By Agreement dated February 29, 2008 (with an Effective Date of March 28, 2008), the Company made an initial payment of $10,000 to acquire an Option providing a 100% interest in five claims in the Omineca Mining Division (the "Tas" Property). On June 28, 2008, a $50,000 cash payment was made. By making additional cash payments of $430,000 by March 28, 2012 and incurring exploration expenditure of $1 million by March 28, 2011, the Option is deemed to be exercised. The claims are subject to 3% NSR, or payments of $50,000 per annum, with all or a portion of a 2% of the NSR purchasable for the sum of $500,000 for each ½ of 1%.

By payment of $47,500 on April 13, 2008, the company discharged the lien filed by Jack Decoteau Excavating Inc. against the mining lease (Tenure 308801) on Dome mountain property.

10. OFFERING MEMORANDUM

On August 29, 2007, the Company issued an Offering Memorandum authorizing the issuance of up to 6,000,000 shares at a $1.00 per share . This OM resulted in the issuance of 3,366,600 shares for $3,366,000.This OM closed on December 31, 2007.

On December 31, 2007, the Company issued an Offering Memorandum authorizing the issuance of up to 6,000,000 share at $1.00 per share. This OM remains open.

On February 15, 2008, the Company issued an Offering Memorandum authorizing the issuance of up to 2,424,200 units at $3.30 per unit. Each unit is comprised of one regular common share allocated at $1.00 per share and two flow through common shares allocated at $1.15 per Flow Through Share. This OM remains open.

11. PRIOR PERIOD ERROR

Management has retrospectively restated the comparative amounts as of September 30, 2006 and for the period from incorporation on October 7, 2005 to September 30, 2006 due to misclassification of certain payments and inadequate related party accruals made by a third party.

Accordingly, on the balance sheet as at September 30, 2006, Accounts receivable has increased $561, Mineral Property costs have increased $48,138, Reclamation deposit has increased by $5,500, Due from related parties has decreased by $10,977 and Deficit has decreased by $43,223.

On the Statement of Operations, Comprehensive Loss and Deficit for the period from incorporation on October 7, 2005 to September 30, 2006, Automobile decreased by $14,337, Consulting Fees decreased by $25,000, Equipment Rental decreased by $1,680, Rent decreased by $1,897, Telephone decreased by $308, Net loss for the period decreased by $43,223 and Deficit - end of year has decreased $43,223. There has been no effect on Loss per share.

On the Statements of Cash Flows for the period from incorporation on October 7, 2005 to September 30, 2006, Loss for the period has decreased $43,223, Amounts receivable has increased $561, Due from related parties has decreased $10,977, Mineral properties and deferred expenditures has increased $48,138 and Reclamation deposit has increased $5,500.