Interim Consolidated Financial Statements

January 31, 2009

The accompanying financial statements of Rocher Deboule Minerals Corp. (formerly Ameridex Minerals Corp.) comprised of the Consolidated Balance Sheets as at January 31, 2009 and July 31, 2008, and the Interim Consolidated Statements of Operations and Deficit and Consolidated Statements of Cash Flows for the three and six month periods ended January 31, 2009 and 2008 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.

ROCHER DEBOULE MINERALS CORP.
(formerly Ameridex Minerals Corp.)
Interim Consolidated Balance Sheets

	January 31, 2009 *(Unaudited)*	July 31, 2008 *(Audited)*
ASSETS		
Current		
Cash and cash equivalents	$ 55,763	$ 156,861
Amounts receivable	237,600	58,274
Prepaid expenses	37,925	2,600
	331,288	217,735
Equipment (Note 5)	13,769	16,188
Reclamation bond	10,500	10,500
Mineral property interests (Note 6)	2,780,639	3,019,014
	$ 3,136,196	$ 3,263,437
LIABILITIES		
Current		
Accounts payable and accruals	$ 348,737	$ 411,059
Due to related parties	50,628	38,610
	399,365	449,669
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	9,840,981	9,236,080
Contributed surplus	964,914	910,850
Deficit	(8,069,064)	(7,333,162)
	2,736,831	2,813,768
	$ 3,136,196	$ 3,263,437

Continuance (Note 1)
Contingency (Note 9)
Subsequent events (Note 10)

Approved on Behalf of the Board of Directors:

Larry Reaugh — Director

Edward Lee — Director

See accompanying notes to consolidated financial statements

ROCHER DEBOULE MINERALS CORP.

(formerly Ameridex Minerals Corp.)

Interim Consolidated Statements of Operations and Deficit

	Three Months Ended January 31		Six Months Ended January 31	
	2009	2008	2009	2008
Administrative Expenses				
Amortization	$ 1,210	$ 954	$ 2,420	$ 967
Bank charges and interest	367	147	1,365	671
Office rental and services	12,814	54,838	27,804	65,822
Professional fees	50,681	154,794	113,111	186,453
Advertising and promotion		53,401	-	77,804
Shareholder communications	51,211	12,628	122,793	22,198
Office rent	2,773	-	4,621	-
Repairs and maintenance	-	25	-	864
Filing and transfer agent fees	3,504	7,732	9,903	15,914
Telephone	2,965	2,343	6,646	7,223
Travel	3,473	25,911	8,568	31,009
Wages and benefits	74,643	84,175	158,617	115,556
Loss on foreign exchange	(15,040)	9,381	(53,723)	20,287
Stock compensation expense	-	526,081	54,064	577,193
Mineral property write-down	282,228	-	282,228	-
Loss before interest income	(470,829)	(932,410)	(738,417)	(1,121,961)
Interest income	83	13,034	2,514	29,684
Net Loss for the Period	(470,746)	(919,376)	(735,903)	(1,092,277)
Deficit - Beginning of Period	(7,598,319)	(5,499,887)	(7,333,162)	(5,326,984)
Deficit - End of Period	$ (8,069,065)	$ (6,419,263)	$ (8,069,065)	$ (6,419,261)
Basic and Diluted Loss per Share	$ (0.01)	$ (0.03)	$ (0.02)	$ (0.03)
Weighted Average Number of Shares Outstanding	39,166,425	32,299,225	39,166,425	32,279,225

See accompanying notes to consolidated financial statements

ROCHER DEBOULE MINERALS CORP.
(formerly Ameridex Minerals Corp.)
Interim Consolidated Statements of Cash Flows

	Three Months Ended January 31		Six Months Ended January 31	
	2009	2008	2009	2008
Cash Provided by (Used For):				
Operating Activities				
Net loss for the period	$ (470,745)	$ (919,375)	$ (735,902)	$ (1,092,276)
Items not requiring cash:				
Amortization	1,210	954	2,420	967
Stock-based compensation	-	(168,305)	(176,056)	(347,193)
	(469,535)	(1,086,726)	(909,538)	(1,438,502)
Net change in non-cash working capital items:				
Accounts receivable	(206,616)	(4,972)	(179,326)	(25,899)
Accounts payable and accruals	(21,539)	126,596	(62,324)	130,279
Due to related parties	50,520	76,379	12,021	81,379
Prepaid expenses	13,660	20,726	(35,325)	44,791
	(633,510)	(867,997)	(1,174,492)	(1,207,952)
Investing Activities				
Purchase of equipment	-	(18,829)	-	(18,829)
Reclamation bond	-	-	-	-
Mineral property expenditures	482,488	(735,374)	238,375	(1,410,205)
	482,488	(754,203)	238,375	(1,429,034)
Financing Activities				
Share capital	-	694,386	835,019	2,237,386
	0	694,386	835,019	2,237,386
(Decrease) / Increase in Cash	(151,022)	(927,814)	(101,098)	(399,600)
Cash– Beginning of Period	206,785	994,420	156,861	466,206
Cash – End of Period	$ 55,763	$ 66,606	$ 55,763	$ 66,606

See accompanying notes to consolidated financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company was incorporated on July 8, 1987 and on September 1, 2006 changed its name from Ameridex Minerals Corp to Rocher Deboule Minerals Corp. and commenced trading on the TSX Venture Exchange, NEX Board. During the current fiscal year, the Company's application for Tier 2 (from NEX) was accepted by the TSX Venture Exchange. The Company's trading symbol is RD.

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

The Company has incurred losses since its inception and as at January 31, 2009 have a working capital deficiency of $68,077 and an accumulated operating deficit of $8,069,064. 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.

Refer to note 8.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles ("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.

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 properties following the commencement of production, or written-off if the properties are sold or abandoned.

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

Mineral properties and deferred costs *(continued)*

Cost includes the cash consideration and the fair market value of any 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 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.

Fair value of financial instruments

The Company's financial instruments consist of current assets and current liabilities, exclusive of prepaid expenses. The fair values of the current assets and liabilities approximate their carrying amounts due to the short-term nature of these instruments.

Share capital

Share capital issued for non-monetary consideration is recorded at the fair market value of the shares based on their trading price on the TSX Venture Exchange on the date the agreement to issue the shares was entered into as determined by the Board of Directors of the Company.

Costs incurred to issue shares are deducted from share capital.

Equipment

Equipment is amortized over its estimated useful economic life using the declining balance method at annual rates ranging from 20% to 100%. In the year of acquisition, one half the rate is applied.

Stock-based compensation

The Company follows the Recommendation of the Canadian Institute of Chartered Accountants to account for stock-based compensation. These Recommendations require that all stock based awards made be measured using a fair value-based method, with the related expense recognized as the awards vest with the recipients.

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

Future income taxes

The Company accounts for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities 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 from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. The overall future impact of such regulations is neither determinable nor predicable at the present time.

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 will be recognized when the ultimate liability is reasonably determinable, and will be charged against operations over the estimated remaining life of the related business operations, net of expected recoveries.

Foreign currency translation

The Company translates its foreign operations for monetary assets and liabilities at the rate of exchange in effect as at the balance sheet date and for non-monetary assets and liabilities at their historical exchange rates. Revenues and expenses are translated at the average rates prevailing for the year, except for amortization that is translated at the historical rate of the related assets.

Foreign exchange gains and losses from the translation of foreign operations are recognized in the current period.

Loss per share

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

New accounting policies

Effective July 1, 2007, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants (CICA) Handbook Section 1530, Comprehensive Income; Section 3251 Equity, Section 3855, Financial Instruments – Recognition and Measurement; and Section 3865, Hedges, retroactively without restatement. These new CICA Handbook Sections, which apply to fiscal years beginning on or after October 1, 2006, provide requirements for the recognition of financial instruments and on the use of hedge accounting.

(a) Section 1530 – Comprehensive Income: Section 1530 establishes standards for reporting and presenting comprehensive income, which is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income that are excluded from net income calculated in accordance with generally accepted accounting principles. Under the new standards, policies followed for periods prior to the effective date generally are not reversed and therefore, the comparative figures have not been restated. The adoption of this Handbook Section has no impact on opening deficit.

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

New accounting policies *(continued)*

(b) Section 3855 – Financial Instruments – Recognition and Measurement: Section 3855 prescribes when a financial asset, financial liability or non-financial derivative is to be recognized on the balance sheet, and whether fair value or cost-based measures are used to measure the recorded amounts. Financial instruments must be classified into one of these five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are measured in the balance sheet at fair value except for loans and receivables, held-to-maturity investments and other financial liabilities, which are measured at amortized cost. Subsequent measurement and changes in fair value depend on their initial classification, as follows: held-for-trading financial instruments are measured at fair value and changes in fair value are recognized in net income; available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the investment is derecognized or impaired at which time the amounts would be recorded in net income.

The Company has designated its cash and short-term investments as held-for-trading, which are measured at fair value and accounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable, accrued liabilities and due to/from related parties are classified as other financial liabilities. The Company had neither available-for-sale or held-to-maturity instruments during the period ended January 31, 2009.

(c) Section 3865 – Hedges: Section 3865 is applicable when an entity chooses to designate a hedging relationship for accounting purposes. It specifies how hedge accounting is applied and what disclosures are necessary when it is applied. The adoption of this standard has no present impact as the Company is not currently engaged in any hedging activity.

Comparative figures

Certain comparative figures have been reclassified to conform to the presentation adopted in the current year.

Asset retirement obligations

The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred and when a reasonable estimate of the fair value can be made based on expected future cash outflows discounted to present value.

The associated asset retirement costs are capitalized as part of the carrying amount of long lived assets. The liability is accreted over the estimated time period until settlement of the obligation and the asset is depreciated over its estimated remaining useful life. Changes in the liability for an asset retirement obligation due to the passage of time will be measured by applying an interest method of allocation. The amount will be recognized as an increase in the liability and an accretion expense in the statement of operations. Changes resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease in the carrying amount of the liability and the related capitalized asset retirement cost. The Company has no asset retirement obligations.

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

Capital disclosures

The CICA issued a new accounting standard, Section 1535, Capital Disclosures ("Section 1535"), which requires the disclosure of both qualitative and quantitative information that enables users of financial statements to evaluate the entity's objectives, policies and processes for managing capital. Section 1535 specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. The new standard has been adopted by the Corporation effective August 1, 2008.

Financial instruments

The CICA issued two new accounting standards, section 3862, Financial Instruments – disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which replace Section 3861. Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements and carrying forward unchanged its presentation requirements for financial instruments. Section 3862 and 3863 place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. These new standards have been adopted by the Corporation effective August 1, 2008.

Impact of adopting sections 1535, 3682 and 3863

Upon the adoption of the new standards, the Corporation will provide increased disclosure regarding management of capital, the nature and extent of risk arising from financial instruments and how the Corporation manages those risks.

Future Accounting Changes

International financial reporting standards

In February 2008, the Canadian Accounting Standards Board ("AcSB") confirmed that publicly listed companies will be required to adopt IFRS for interim and annual financial statements relating to the fiscal years beginning on or after January 1, 2011. The AcSB issued for comment its omnibus Exposure Draft, Adopting IFRS in Canada. Early adoption may be permitted, however it will require exemptive relief on a case by case basis from the Canadian Securities Administrators.

The Corporation is currently in the process of developing an IFRS Conversion Plan and evaluating the impact of the transition to the IFRS.

3. CAPITAL MANAGEMENT

When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes in the Company's approach to capital management during the period ended January 31, 2009.
The Company is not subject to externally imposed capital requirements.

4. FINANCIAL RISK FACTORS

a) Fair value of financial instruments

The Company's financial instruments consist of cash and cash equivalents, receivables, amounts due on mineral property held for evaluation and exploration, accounts payable and accrued liabilities. Cash equivalents consist of guaranteed investment certificates and term deposits, the investment terms of which are one year or less at the time of acquisition. The Company holds no asset-backed commercial paper. The fair values of the financial instruments approximate their amortized cost value due to their short-term nature.

b) Currency risk

A portion of the Company's financial assets and liabilities is denominated in foreign currencies, giving rise to risks from changes in foreign exchange rates. The Company is exposed to currency exchange rate risks to the extent of its activities in United States. The Company does not use derivative financial instruments to reduce its foreign exchange exposure; however, the Company maintains a portion of its cash and cash equivalents in US Dollars and as at January 31, 2009. Future changes in exchange rates could have a material effect on the Company's business, financial condition and results of operations.

c) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its commercial obligations. The Company's cash is held primarily through large Canadian and international banks. Short-term investments consist of guaranteed investment certificates which have an original maturity of one year or less from the date of purchase and are readily convertible into a known amount of cash

d) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short term investments included in cash and cash equivalents is limited because these instruments, although available for sale, are generally held to maturity. The Company manages its cash according to its operational needs and to optimize revenues from interest.

5. EQUIPMENT

	Amortization Rate	Cost	Accumulated Amortization	January 31, 2009 Net Book Value	July 31, 2008 Net Book Value
Office Equipment	20%	$ 1,426	$ 1,284	$ 142	$ 157
Motor Vehicle	30%	18,828	5,224	13,604	16,004
Computer Equipment	30%	1,851	1,828	23	27
Software	100%	7,444	7,444	-	-
		$ 29,549	$ 15,780	$ 13,769	$ 16,188

6. RESOURCE PROPERTIES

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, 2007	Expenditures	Balance, July 31, 2008	Expenditures	Balance, January 31, 2009
Acquisition and staking	$ 118,300	$ 10,584	$ 128,884	$ 2,784	$ 131,668
Assays and analysis	1,491	33,547	35,038	(3,111)	31,927
Camp and supplies	66	57,828	57,894	1,610	59,504
Drilling	-	146,826	146,826	-	146,826
Geological and geophysical	204,425	214,597	419,022	(8,027)	410,995
Geologist travel and accommodation	1,930	6,001	7,931	6,637	14,568
Freight and transport	1,629	71,524	73,153	-	73,153
BCMETC recoverable			-	(226,963)	(226,963)
	$ 327,841	$ 540,907	$ 868,748	$ (227,070)	$ 641,678

6. RESOURCE PROPERTIES *(continued)*

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 entered into an agreement to lease 41 patented mining claims.

Maggie Canyon – the Company entered into a mineral lease agreement to lease 41 patented mineral claims.
Huffman property – the Company entered into two mineral lease agreements with option to lease 30 patented claims for a term of 10 years.

	Balance, July 31, 2007	Expenditures	Balance, July 31, 2008	Expenditures	Balance, January 31, 2009
Acquisition and staking	$ 679,103	$ 679,103	$ 728,434	$ 176,812	$ 905,246
Assays and analysis	1,426	1,426	90,817	49,895	140,712
Drilling	-	-	669,054	-	669,054
Geological and geophysical	16,987	16,987	181,021	56,400	237,421
Geologist travel and accommodation	1,388	1,388	26,817	13,065	39,882
Property maintenance	-	-	30,022	38,876	68,898
	$ 698,904	$ 698,904	$ 1,726,165	$ 335,048	$ 2,061,213

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.

	Balance, July 31, 2007	Expenditures	Balance, July 31, 2008	Expenditures	Balance, January 31, 2009
Acquisition and staking	$ 1,477	$ -	$ 1,477	$ -	$ 1,477
Geological and geophysical	946	-	946	-	946
	$ 2,423	$ -	$ 2,423	$ -	$ 2,423

6. **RESOURCE PROPERTIES** *(continued)*

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 capitalized acquisition expenditures in the current period.

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.

	Balance, July 31, 2007	Expenditures	Balance, July 31, 2008	Expenditures	Balance, January 31, 2009
Acquisition and staking	$ -	$ 55,000	$ 55,000	$ 2,825	$ 57,825
	$ -	$ 55,000	$ 55,000	$ 2,825	$ 57,825

Canal Flats
Golden Mining Division, B.C.

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

	Balance, July 31, 2007	Expenditures	Balance, July 31, 2008	Expenditures	Balance, January 31, 2009
Acquisition and staking	$ -	$ 10,000	$ 10,000	$ 7,500	$ 17,500
	$ -	$ 10,000	$ 10,000	$ 7,500	$ 17,500

6. RESOURCE PROPERTIES *(continued)*

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 coal application to the properties referred to as Alberta Saskatchewan Boundary group. The Company has received $96,875 refund of fees paid to Saskatchewan Government and wrote down any remaining $98,575 capitalized expenses.

7. SHARE CAPITAL

a) Authorized

100,000,000 common shares without par value

b) Issued and Outstanding

	Number of Shares	Amount	Contributed Surplus
Balance, July 31, 2007	24,445,892	$ 6,543,550	$ -
Exercise of warrants	7,403,333	1,110,500	-
Shares for mineral properties	450,000	202,500	-
Private placement	3,562,200	1,602,990	-
Cost of issuance - cash	-	(121,260)	-
Broker warrants granted – fair value	-	(102,200)	102,200
Stock based compensation	-	-	808,650
Balance, July 31, 2008	35,861,425	$ 9,236,080	$ 910,850
Private placement	3,255,000	651,000	-
Cost of issuance - cash	-	53,600	-
Shares for mineral properties	50,000	7,500	-
Stock based compensation	-	-	54,064
Balance, January 31, 2009	39,166,425	$ 9,948,179	$ 964,914

7. SHARE CAPITAL *(continued)*

c) During the fiscal year ended July 31, 2008, the Company completed a brokered private placement for 3,562,200 units at a price of $0.45 per unit for aggregate proceeds of $1,602,900. Each unit consists of one common share and one transferable common share warrant. Each warrant entitles the holder to purchase one common share for a period of two years at an exercise price of $0.90 per share. The Company paid cash commission of 6% of the gross proceeds of the sale of the units and issued agents warrants equal to 10% of the number of units sold under the offering. Each agents warrant shall be exercisable to acquire one unit of the company on the same terms as the offering.

In September 2008, the Company closed its non-brokered private placement of 3,255,000 units at a price of $0.20 per unit for aggregate proceeds of $651,000. Each unit is comprised of one common share in the capital of the Company plus two year share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $ 0.30 per share prior to October 7, 2010.

d) **Stock options**

	Number of Options	Weighted Average Exercise Price
Balance at July 31, 2008	2,075,000	$ 0.55
Granted	4,050,000	0.12
Cancelled/forfeited	(70,000)	(0.55)
Balance at January 31, 2009	6,055,000	$ 0.26

The Company granted incentive stock options to purchase an aggregate of 4.050,000 shares in the capital stock of the Company. The option was granted for a period of five years commencing October 27, 2008 at $0.12 per share. During the three month periods ended October 31, 2008 under fair value based method, $54,064 in compensation expense was recorded for options vested to directors, officers, employees and consultants. The fair value of the stock options granted was estimated on the date of the grant using Black-Scholes option pricing model using the assumptions shown in the following table.

	2008
Dividend yield	0%
Expected volatility	173.35%
Risk-free interest rate	4.08%
Expected live	3 years

7. SHARE CAPITAL *(continued)*

e) Warrants

	Number of Warrants		Weighted Average Exercise Price	Weighted Average Remaining Life	Expiry Date
Balance at July 31, 2007	7,435,000	$	0.15		September 5, 2007
Granted – Private Placement	3,562,200[1]		0.90		February 28, 2010
Granted - Broker warrants	356,220		0.90		February 28, 2010
Exercised	(7,403,333)		0.15		
Expired	(31,667)		0.15		
Balance at July 31, 2008	3,918,420	$	0.90		
Balance at January 31, 2009	3,918,420	$	0.90	1.58 years	

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

The grant date fair value of broker warrants granted to agents during the year ended July 31, 2008 was $0.29 per warrant (2007 - $nil).

e) Warrants

The fair value of broker warrants granted was estimated on the date of the grant using Black-Scholes option pricing model using the following assumptions shown in the following table.

	2008
Dividend yield	0%
Expected volatility	110.78%
Risk-free interest rate	2.65%
Expected live	2 years

8. INCOME TAXES

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

	2008	2007
	$	$
Loss for the year	(2,006,178)	(263,051)
Expected income tax recovery	(640,429)	(89,742)
Net adjustment for deductible and non-deductible amounts	209,001	(332)
Unrecognized benefit of non-capital losses	431,428	90,074
	-	-

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

	2008	2007
Future income tax assets:	$	$
Mineral properties	115,500	720,000
Non-capital loss carry-forwards	634,100	355,000
Equipment	7,400	14,000
	757,000	1,089,000
Valuation allowance	(757,000)	(1,089,000)
Net future income tax assets	-	-

The Company has non-capital losses of approximately $1.9 million (2007 - $1.0 million), which are available to reduce future taxable income and which expire between 2008 and 2028. The Company also has mineral property expenditure pools of $3.4 million (2007 - $3.1 million) available to reduce taxable income in future years, subject to certain restrictions. The Company has not recognized any future benefit relating to these tax losses and resource deductions as it is not considered likely that they will be utilized.

9. CONTINGENCIES

a) A former lawyer for the Company is claiming 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.

b) The Company had a 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.

10. SUBSEQUENT EVENT

In March, 2009 the Company announced raising funds by way of non-brokered private placement, up to $500,000 through the issuance of up to 5,000,000 units at a price of $0.10 per Unit.