

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTHS ENDED JUNE 30, 2008



The following discussion and analysis of financial position and results of operations of Auramex Resource Corp. (the "Company") is prepared as at August 24, 2008, and should be read in conjunction with the unaudited interim consolidated financial statements of the Company, and the notes thereto, for the six months ended June 30, 2008, and with the audited financial statements for the years ended December 31, 2007 and 2006. In this discussion, unless the context otherwise dictates, a reference to the business and operations of the Company includes the business and operations of the Company's wholly owned Mexican subsidiary, Exploración Auramex S. A. de C. V. Additional information relating to the Company is available on SEDAR at www.sedar.com.

Description of the Business

The Company is engaged in the business of acquiring interests in mineral properties with exploration potential and exploring those properties to determine if they may host economic deposits of minerals. While the Company has acquired and explored a number of properties over the years, it has yet to identify and develop an economic mineral deposit. If the Company determines that a property likely does not host an economic deposit, or if maintaining a property becomes uneconomic for any other reason, it abandons the property and writes off the capitalized acquisition and deferred exploration and development costs associated with the property. As existing properties are abandoned, the Company seeks out new properties for acquisition that it considers may have the potential to host the economic mineral deposit or deposits that will result in its evolution into a producing, revenue generating entity. The exploration of mineral properties and subsequent development involves a high degree of risk and few properties that are explored are ultimately developed into producing properties.

Overall Performance

As the Company does not have a producing mineral property, it has no source of cash other than debt financing and equity financing from the sale of its common shares and share purchase warrants. The cash raised in this manner is used to cover ongoing administrative expense and to fund exploration activities on its mineral exploration properties. The amount of money available for exploration is directly related to the amount that the Company is able to raise from these sources, after administrative expenses have been paid. The Company is continually engaged in the process of raising

money and allocating the proceeds between its current administrative needs and desired exploration activities. As funds become depleted, new financing is sought and the process is repeated. The determination as to which properties to explore, what programs to undertake and how much money to spend in each instance is made on an ongoing basis by the Company's management, in consultation with its Board of Directors and professional advisors.

As a result of the foregoing, the true measure of the Company's performance for any given period lies in the amount of money it was able to raise, the amount of exploration it was able to undertake and the results of those exploration efforts.

Working capital at June 30, 2008 was \$9,432 compared to \$87,877 at December 31, 2007 and (\$40,782) at June 30, 2007. The cash component of working capital for the same dates was \$38,516, \$116,644 and \$103,796, respectively. During the first six months of 2008, the Company realized gross proceeds of \$343,200 from equity financing, compared to \$775,535 in the first six months of the previous year. Total mineral property expenditures during the first six months of 2008 were \$336,122, as compared to \$581,890 in the first six months of the previous year.

Overall, during the six month period the Company was able to raise sufficient funds to cover its administrative expenses and to conduct a 700 metre diamond drill program on the El Fierro and El Escobal properties in Mexico. This performance was in line with management's expectations for the period.

Results of Operations

The Company is engaged in the business of acquiring and exploring mineral exploration properties in the hope of discovering economic deposits of minerals that can eventually be placed into production. The Company has yet to identify and develop an economic mineral deposit, and accordingly has no sales or other significant revenue and no profit.

At June 30, 2008 the Company held five mineral exploration properties, the Magenta property, Mexico, the Gracias a Dios (El Escobal) property within the Magenta boundaries, the La Perla II concession, Mexico, the Bear River properties, British Columbia and the Brandywine property, British Columbia. A description of each project is contained in the following.

Magenta Property, Mexico

The Company's Magenta property, located near Culiacan, Sinaloa State, Mexico, comprises 4,954 hectares of staked ground, the Ana concession covering 275 hectares, the El Fierro concession covering 733 hectares, and the Gracias a Dios and Ampliación Gracias a Dios concessions covering 50 hectares.

With respect to the 733 hectare El Fierro exploration concession, Exploración Auramex S. A. de C. V., the Issuer's wholly owned Mexican subsidiary ("Auramex Mexico"), entered into an option agreement dated April 8, 2003, as amended, with Exploración Azteca S.A. de C.V. ("Azteca"), a wholly owned subsidiary of Nordic Gold Corp. Under the agreement, Auramex Mexico can earn an 85% interest in the property by paying back taxes of approximately US\$8,810 on the concession (paid), issuing 20,000 common

shares in the Company (issued) and incurring property expenditures totalling US\$200,000 over five years, of which US\$140,000 was not required to be spent until the last year (2007). In January 2008, the Company issued 25,000 common shares in the Company to extend the option to December 2008. To date CAD\$241,000 has been expended. Upon Auramex Mexico earning its interest, Azteca may either participate in a joint venture for the remaining 15% or convert to a 2% net smelter returns royalty. Azteca will automatically convert to a 2% NSR in the event that its interest under the joint venture is diluted to 10% or less. Subject to audit, the Company has earned its 85% interest.

With respect to the 50 hectare Gracias a Dios and Ampliación Gracias a Dios concessions, Auramex Mexico entered into an option agreement dated December 18, 2006 to purchase these concessions which cover the historic El Escobal gold mine. Under the agreement, Auramex Mexico can purchase the properties by the issuance of US\$50,000 in shares in the parent company, (503,000 shares were issued at \$0.115), payment of US\$100,000 by December 18, 2007 (paid) and US\$300,000 by December 18, 2008. Upon the Company earning its interest, the Optionor is entitled to receive a 2% Net Smelter Returns Royalty that is capped at US\$1,450,000. In addition to the option to purchase the mining concessions, Auramex Mexico has also entered into an option to purchase 450 hectares of surface land overlying the El Escobal mine and part of the Magenta concession. The option to purchase the land requires the payment of US\$100,000 by December 18, 2008. The terms of the agreement require that both options be exercised or that neither be exercised.

An initial evaluation of the Magenta property consisting of a property examination, reviewing historic reports and sampling, was conducted in the spring of 2003. A trenching and soil sampling program was conducted in the southwest area of the property in the fall of 2003. In May 2004, an Induced Polarization and Resistivity Survey and surface sampling were conducted in the La Prieta area and in the El Fierro area. Several drill targets were identified, as well as areas that require additional geophysical work to determine if drill targets exist there. A 700 metre drill program in these two areas consisting of five holes was completed October 23, 2004. The drill program tested three locations, namely La Prieta #1 vein, La Prieta copper/gold porphyry zone and the El Fierro zone. The assays at La Prieta #1 and El Fierro, although anomalous in gold, copper, silver, nickel and cobalt, were too low to be considered potentially economic. The results at the copper/gold porphyry zone were encouraging and indicated the need for additional exploration.

During 2005, the Company conducted a program to evaluate part of the La Prieta copper/gold porphyry zone over a north/south length of 1.5 kilometres, and one kilometre east/west. Prospecting, mapping and soil sampling were carried out in November 2005.

In March and April of 2006, the Company conducted a 500 metre diamond drill program, consisting of a 313 metre hole in the copper/porphyry zone and a 187 metre hole into a copper showing 500 metres south east of the copper/gold porphyry zone. Assays from the porphyry zone identified it as a copper/molybdenum/gold porphyry system returning 0.021% copper and anomalous molybdenum from continuous samples

over the whole 313 metres. The second 187 metre hole returned anomalous copper values but entered a weakly mineralized diorite in the last 20 metres of the hole. In March 2007, the 313 metre hole was re-entered and a further 150 metres were drilled. Anomalous copper values were returned but this hole also was terminated in weakly mineralized diorite. A soil geochemical, induced polarization and mapping program is considered necessary to further evaluate the La Prieta copper/molybdenum/gold porphyry.

In April, 2008, two diamond drill holes totalling 163 metres were drilled at El Fierro. A three metre interval returned anomalous values in zinc, copper and that are not considered to have economic potential.

There is extensive historic data available regarding the Gracias a Dios (“El Escobal”) concessions, including historic production data and more recent exploration results. Santa Cruz Gold Inc. conducted trenching and drilling in 1996 and 1997 which provided estimates of mineral resources totalling 108,000 ounces of gold (not NI 43-101 compliant). The Company drilled eight locations totalling 700 metres in a diamond drill program in February and March of 2007 designed to confirm and expand that resource. Cleaning and rehabilitation of the underground workings has been ongoing since July 2007. Sampling has been done in the rehabilitated adits and stopes. The Company has commissioned a NI 43-101 compliant report that is expected to be completed by the end of September, 2008

To the end of 2007, \$786,727 had been expended on the Magenta property, including acquisition costs. Of that amount, \$126,054 was expended in 2007. Approximately \$294,000 has been spent in 2008 to date, \$216,000 of that at El Escobal. All programs conducted at Magenta have been supervised by David St. Clair Dunn, P.Geo. (“Dunn”) and the most recent report prepared in accordance with National Instrument 43-101 prepared by Dunn, dated April 5, 2005, entitled “Report on Diamond Drilling on the Magenta Property” is available on the SEDAR website at www.sedar.com and on the Auramex website at www.auramex.com.

La Perla II, Mexico

During 2005, the Company staked a 300 hectare concession in northern Sinaloa State, Mexico at a staking cost of \$2,831. A soil geochemical survey was conducted in April 2006 over an area of artisanal pitting. An area 200 metres by 50 metres returned anomalous gold values. Trenching of this area was conducted in 2007, and again returned anomalous gold values. The Company has not yet designed a next stage exploration program.

Bear River Property, British Columbia

Under five option agreements dated September 21, 2005, February 1, 2006 (two agreements), September 15, 2006 and February 21, 2007, the Company has acquired a 100% interest in the Bear River properties for cash totalling \$24,900 and the issuance of 575,000 common shares in the Company. The tenures acquired are subject to two net smelter returns royalty interests, each entitling the holder to receive a royalty equivalent

to 1% of net smelter returns. Both royalty interests can be purchased by the Company for a total of \$4,000,000.

Under a sixth option agreement dated November 22, 2007, the Company has the right to acquire a 100% interest in 12 mineral tenures totalling 1,064 hectares by paying \$3,000 (paid) and issuing 100,000 shares (25,000 issued) over a period of two years. The option is subject to a 2% NSR which can be purchased for \$1,000,000.

The Bear River properties consist of 119 mineral claims covering approximately 30,600 hectares located in the Skeena Mining Division, near Stewart, British Columbia, extending roughly 25 kilometres north and 15 kilometres east. Four non-contiguous properties are included in these agreements, the Bitter Claim block 10 kilometres northeast of Stewart, Georgie River 25 kilometres south of Stewart, Surprise Creek 40 kilometres northeast of Stewart and Tide North 45 kilometres north northwest of Stewart.

At Georgie River, a 2006 Field Program outcrop assay returned 4.3% copper along 25 metres of strike and 1.1 metres width at a showing previously known as the Lyddon Showing. In 2007, magnetic and VLF-em geophysical surveys were carried out over a one kilometre by one kilometre grid. A strong magnetic anomaly has been discovered 100 metres north of the Lyddon showing and extending at least 700 metres to the north northeast off the grid. A strong, localized VLF-em anomaly was located 350 metres west northwest of the showing. A soil geochemical survey has been carried out over the entire grid.

At Tide North, the east side of the Bowser River has been sampled and a gold bearing structure discovered in 2006 has been trenched in 2007. Two pan concentrate samples returned anomalous gold values; 950 parts per billion (ppb), 645 ppb, and one pan concentrate returned 13.5 grams per tonne (g/t) gold.

At Surprise Creek, consisting of 14 tenures with a total area of 6,052 hectares, a property scale stream sediment sampling program has been completed. A vein on one of the mineral tenures (Lauren Gold - tenure number 523449) contains visible pyrite, galena and sphalerite. A sample collected from a stockwork vein returned assays of 13.2 g/t gold, 0.3 % lead and 0.86 % zinc. Two pan concentrate samples collected from a stream flowing into Surprise Creek in the northwestern portion of the property returned 150 ppb gold and 120 ppb gold. A grab sample taken upslope from the two pan concentrate samples just mentioned returned 820 ppb gold and 515 parts per million copper. Detailed prospecting, sampling and trenching are recommended for a future program.

In the approximately 20,000 hectares comprising the Bear property, there are two highly prospective targets, Roosevelt Ridge and the Dunwell Mine area. In the 2006 program, two samples taken 500 metres apart on either side of a rapidly ablating icefield, returned values of 5.5 g/t gold and 3.5% zinc on one side and 7.5 g/t gold and 3.4 % zinc on the other side at Roosevelt Ridge. Trenching, further sampling and mapping have been conducted at this location. The most significant value obtained from the trenching and chip sampling was 3.05 g/t gold. In 2006, a grab sample at the Dunwell Mine area returned an assay of 7.8 g/t gold.

Brandywine Property, British Columbia

The Brandywine property comprises a 100% interest, subject to a net smelter returns royalty of 0.5% with minimum annual payments of \$50,000 following commencement of commercial production, in a mining lease and five located mineral claims consisting of 51 units located in the Vancouver Mining Division, British Columbia. The property is approximately 1,590 hectares in area. The property includes three cell claim tenures totalling 228 hectares staked adjacent to the five legacy claims.

A geological report in accordance with National Instrument 43-101 was prepared by David St. Clair Dunn, P.Geo., and is dated June 3, 2003 (the “Brandywine Report”). The Brandywine Report reviews previous work conducted on the property and recommends a Phase 1 exploration program consisting of geological mapping and geophysical surveying at an estimated cost of \$70,000. Contingent upon the results from Phase 1, the report recommends a Phase 2 program consisting of diamond drilling at an estimated cost of \$475,000. The Brandywine Report has been filed on SEDAR and is available on the SEDAR website at www.sedar.com.

Areas of the Brandywine property are notably prospective in silver, and the price of silver has increased in the past five years from a low of US\$4.30 per ounce in 2001 to a high of US\$20.79 in March 2008. At August 22, 2008 the price was US\$13.62. The Company is reviewing existing data on the property concerning silver mineralization, and plans additional exploration in two areas where silver mineralization was reported. Expenditures in the six months of 2008 totalled \$5,386.

Summary of Quarterly Results

The following table sets out selected financial information, presented in Canadian dollars and prepared in accordance with GAAP, for each of the last eight quarters ended June 30, 2008:

		2008			
				Second Quarter	First quarter
(a)	Revenue	\$	\$	\$ Nil	\$ Nil
(b)	Income (Loss) before discontinued operations and extraordinary items	\$	\$	\$ (69,421)	\$ 31,912
(c)	Inc(loss) per share:			(69,421)	31,912
	Basic -	\$	\$	\$ (0.003)	\$ 0.001
	Fully Diluted -	\$	\$	\$ n/a	\$ 0.001
(d)	Net income(loss)	\$			31,912
(e)	Net income(loss) per share:				
	Basic -	\$	\$	\$ (0.003)	\$ 0.001
	Fully Diluted -	\$	\$	\$ n/a	\$ 0.001

		2007			
		Fourth quarter	Third quarter	Second quarter	First quarter
(a)	Revenue	\$ Nil	\$ 47,309	\$ Nil	\$ Nil
(b)	Income (Loss) before discontinued operations and extraordinary items	\$ (126,833)	\$ (39,699)	\$ (51,430)	\$ (60,388)
(c)	Inc(loss) per share:				
	Basic -	\$ (0.004)	\$ (0.001)	\$ (0.002)	\$ (0.003)
	Fully Diluted -	\$ n/a	\$ n/a	\$ n/a	\$ n/a
(d)	Net income(loss)	\$ (126,833)	(39,699)	(51,430)	(60,388)
(e)	Net income(loss) per share:				
	Basic -	\$ (0.004)	\$ (0.001)	\$ (0.002)	\$ (0.003)
	Fully Diluted -	\$ n/a	\$ n/a	\$ n/a	\$ n/a

		2006			
		Fourth quarter	Third quarter		
(a)	Revenue	\$ Nil	\$ Nil		
(b)	Income (Loss) before discontinued operations and extraordinary items	\$ (416,665)	\$ (55,031)		
(c)	Loss per share:				
	Basic -	\$ (0.02)	\$ (0.003)		
	Fully Diluted -	\$ n/a	\$ n/a		
(d)	Net loss	\$ (416,665)	\$ (55,031)		
(e)	Net loss per share:				
	Basic -	\$ (0.02)	\$ (0.003)		
	Fully Diluted -	\$ n/a	\$ n/a		

The Company's business of exploring mineral exploration properties with available equity and debt financing is a long term endeavour that may take several years to yield any meaningful results. Fluctuations in results from quarter to quarter are caused primarily by whether the Company raised financing or incurred exploration expenditures in any given quarter, and are not indicative of any particular trend in the Company's overall performance. Fourth quarter losses are higher than the first three quarters because of year end entries. Fourth quarter recognition of stock based compensation expense was \$89,525 in 2006, and \$56,248 in 2007. The Company incurred a currency exchange loss of \$17,057 in 2007.

The revenue shown in the third quarter of 2007 relates to a payment made by the Resort Municipality of Whistler for a quit claim on surface access to some six hectares of one of the Brandywine mineral claims.

Third quarter 2007 general and administrative expense was \$87,029 due to increased marketing expenditures of \$11,143, Worksafe BC arrears of \$4,844, and shareholder meeting costs.

The income shown in the first quarter of 2008 is a non-cash item relating to a future income tax liability of \$90,100 pertaining to the renunciation of Canadian Eligible Exploration Expenditures (flow-through shares).

Liquidity and Capital Resources

The Company's primary source of cash is equity financing from the sale of the Company's common shares and share purchase warrants on a private placement basis. Additional cash is generated when convertible securities, such as previously issued share purchase warrants and stock options, are exercised.

During the first quarter of 2008 the Company raised gross proceeds of \$300,000 from equity financing, and in that regard issued a total of 3,000,000 common shares and warrants for the purchase of an additional 3,000,000 common shares. In January, 360,000 warrants were exercised providing \$43,200.

The monies raised in the foregoing fashion were sufficient to meet the Company's obligations during the first two quarters and to incur approximately \$336,000 of expenditures on its mineral exploration properties. At the end of the six month period, the Company had cash on hand in the sum of \$38,516 and working capital of \$9,432. At the date hereof the Company has working capital of \$24,112.

During the fiscal year to date, the Company has successfully raised sufficient equity to pay its administrative costs as they become due and to carry out exploration programs on its mineral exploration properties. While certain of its administrative costs are fixed and unavoidable, the Company is able in large part to tailor its expenditures to the amount of capital available at any given time. This is particularly true with respect to exploration expenditures. For this reason, the Company has been able, to date, to generate sufficient amounts of cash in the short term to fund its ongoing activities.

The Company's ability to obtain sufficient funding for the medium to long terms will be dependent on the availability of equity and debt financing in the future, which the Company cannot predict. The availability of such funding will be dependent on a number of factors beyond the Company's control, including commodity prices, stock market performance and any number of other economic conditions. Accordingly, the ability of the Company to continue as a going concern cannot be assured.

The Company has three primary requirements for working capital: administrative costs, exploration expense and property acquisition payments.

During the six months ended June 30, general and administrative expense totalled \$127,720. The Company expects similar general and administrative costs in the remaining half of 2008. The Company expects that approximately \$120,000 in additional funding will be required to fund general and administrative expense for the balance of the year.

Exploration expense is much more discretionary in that the Company can tailor the amount and timing of such expenditures to fit available capital. During the six months ended June 30, 2008, the Company expended \$1,520 on property acquisition and \$310,752 on exploration and related property expenditures. The Company estimates that

\$275,000 will be needed to fund the exploration the Company intends to undertake during the balance of 2008, and US\$445,000 will be needed to exercise the options on the Gracias a Dios concessions and surface land.

Given the foregoing estimate of administrative expense and the intended amount of exploration expense, the Company will require approximately \$850,000 in new capital for the balance of the year. Due to challenging market conditions, management has encountered difficulty in raising funding from its conventional sources during the current quarter and is uncertain that the needed capital can be raised from those sources.. Alternative sources are being considered, but there can be no guarantee that the needed funding can be obtained.

Transactions with Related Parties

The Company was party to the following transactions with related parties during the six months ended June 30, 2008.

Heather Conley, the Company's President & CEO and a director, receives \$2,500 each month pursuant to a management consulting contract. That contract is ongoing and Ms. Conley received \$15,000 in the first half of 2008 and has received a further \$2,500 pursuant to the contract during the current quarter to date.

Ms. Conley is also an associate of Robert A. Young & Associates ("RAYA") and is the spouse of its principal, Robert Young. RAYA provides investor relations services under a contract dated December 1, 2004. During the six months ended June 30, 2008, the Company paid \$9,000 to RAYA under this contract, and a further \$1,500 during the current quarter to date.

Judie Whitby, the Company's Chief Financial Officer and a director, receives \$4,500 per month for providing accounting, office and general management services to the Company. During the six months ended June 30, 2008, Ms. Whitby received the sum of \$13,500 pursuant to this arrangement, and is owed a further \$18,000 to date. Ms. Whitby was reimbursed \$4,480 for expenses she incurred on the Company's behalf in the first six months, and has been reimbursed \$1,332 in the current quarter to date.

The Company's primary supplier of geological services is David St. Clair Dunn, a director of the Company. During the six months ended June 30, 2008, Mr. Dunn received \$21,565 for these services. He has not received any monies during the current quarter to date.

The Company's primary supplier of legal services is Forth & Company, which is a sole proprietorship of Clive Forth, a director of the Company. During the six months ended June 30, 2008, Forth & Company provided \$19,295 in legal services, which included disbursements and taxes that Forth & Company is required to remit to the provincial and federal governments. Of this amount, \$6,224 is recorded as a cost against capital for share issuance costs, \$1,848 is recorded as mineral property acquisition costs, and \$11,223 is legal expense relating to corporate matters. Forth & Company provided a further \$10,791 in legal services, including disbursements and taxes, of which \$6,314

related to corporate matters and \$4,477 to share issuance costs, in the current quarter to date.

The Company considers all of the foregoing transactions and the amounts related thereto to be reasonable and representative of normal commercial transactions.

Changes in Accounting Policies Including Initial Adoption

Effective January 1, 2008, the Company adopted the new CICA guidelines of Section 1535, *Capital Disclosures* which requires companies to disclose their objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital, and whether companies have complied with externally imposed capital requirements and, if not in compliance, the consequences of such non-compliance.

The Company's objective in managing capital is to enable the company to continue as a going concern. The Company is not subject to externally imposed capital requirements.

Effective January 1, 2008, the Company adopted the CICA guidelines of Section 3862, *Financial Instruments – Disclosures*, and Section 3863, *Financial Instruments – Presentation*. These standards replace CICA 3861, 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, included specified minimum disclosures about credit risk, liquidity risk, and market risk. Such quantitative disclosures must provide information about the extent to which the company is exposed to such risk, based on information provided internally to the entity's key management personnel.

The following accounting pronouncement is applicable to future reporting periods. The Company is currently evaluating the effects of adopting the standard, *Goodwill and Intangible Assets*, CICA Section 3064. This section establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. It is effective for the Company for annual and interim financial statements commencing January 1, 2009.

The Canadian Accounting and Standards Board has determined that the existing Canadian standards and interpretations that currently comprise Canadian generally accepted accounting principles for publicly accountable enterprises (including reporting issuers) will be replaced with International Financial Reporting Standards ("IFRS"). The effective date of the changeover to IFRS will be January 1, 2011. The Company is in the process of assessing, in consultation with its professional advisors, the impact of the change on its policies, procedures and financial reporting. At the date hereof, no specific conclusions as to the impact of IFRS have been drawn, nor has a changeover plan been adopted. The Company will provide disclosure in future quarters as its IFRS changeover plan is developed and the impact of the adoption of the plan becomes apparent.

Financial Instruments

At August 24, 2008, the Company had cash and other current assets in the amount of \$73,878. The cash component was \$51,748, taxes recoverable were \$19,641, and prepaid amounts were \$2,458. At December 31, 2007, cash amounted to \$116,644, taxes recoverable were \$15,668 and prepaid amounts were \$3,492. The current liabilities of the Company as at August 24, 2008 are \$49,766 (\$47,927 at December 31, 2007).

Additional Disclosure for Venture Issuers

The Company's business primarily involves mining exploration, and the Company has received no revenue from operations in either of its last two financial years. The following selected financial information indicates costs and expenses incurred by the Company in the first six months of this year and last year.

	Six months ended June 30, 2008	Six months ended June 30, 2007
Capitalized or expensed exploration and development costs		
• Magenta property, Mexico	\$ 76,625	\$ 81,327
• Gracias a Dios, Mexico	214,835	318,883
• Brandywine property, B.C.	6,479	788
• Bear River property, B.C.	11,629	80,793
• La Perla II, Mexico	1,184	904
Expensed research and development costs	Nil	Nil
Deferred development costs	Nil	Nil
General and administrative expenses	127,608	112,036
Material costs not referred to in the foregoing	Nil	Nil

Disclosure of Outstanding Share Data

The Company has the following securities outstanding at the date hereof:

36,302,249 common shares.

14,650,000 warrants to acquire common shares,

2,374,500 incentive stock options to acquire common shares.

Common Shares

Balance at December 31, 2007	31,622,249
Shares issued for cash – warrants exercised – January 2008	360,000
Shares issued on acquisition of mineral properties – January 2008	170,000
Shares issued – private placement – March 2008	3,000,000
Shares issued – private placement – July 2008	1,150,000
Balance August 24, 2008	36,302,249

Number of Warrants	Exercise Price	Expiry Date
500,000	\$0.15	November 8, 2008
2,500,000	\$0.15	January 16, 2009
1,000,000	\$0.25	March 12, 2009
2,000,000	\$0.15	July 17, 2009
2,000,000	\$0.20	September 6, 2009
2,500,000	\$0.15	September 6, 2009
3,000,000	\$0.10	March 11, 2010
1,150,000	\$0.10	July 8, 2010
14,650,000		

Options Outstanding	Exercise Price	Expiry Date
825,000	\$0.15	August 26, 2008
380,000	\$0.13	December 2, 2008
50,000	\$0.13	August 19, 2009
150,000	\$0.13	September 22, 2009
100,000	\$0.20	May 5, 2010
769,500	\$0.13	March 8, 2011
100,000	\$0.13	January 11, 2012
2,374,500		

Other

The Company has no off-balance sheet arrangements. The Company has no proposed material asset or business acquisition or disposition that the Company's Board of Directors has decided to proceed with, or that the Company's senior management has decided to proceed with in the belief that confirmation by the Board is probable.