

**AURAMEX RESOURCE CORP.**

**CONSOLIDATED  
INTERIM FINANCIAL STATEMENTS  
(UNAUDITED-PREPARED BY MANAGEMENT)**

**SEPTEMBER 30, 2007**

## REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

# AURAMEX RESOURCE CORP.

## CONSOLIDATED INTERIM BALANCE SHEETS

(Unaudited – Prepared by Management)

|   | <b>Sept. 30<br/>2007</b> | December 31<br>2006 |
|---|--------------------------|---------------------|
| <b>ASSETS</b>                                   |                          |                     |
| <b>Current</b>                                  |                          |                     |
| Cash and cash equivalents                       | \$ 494,623               | \$ 57,076           |
| Amounts receivable                              | 14,382                   | 7,998               |
|   | 509,005                  | 65,074              |
| <b>Reclamation Deposits (Note 3)</b>            | 7,056                    | 7,063               |
| <b>Equipment</b>                                | 7,355                    | 3,035               |
| <b>Interests In Mineral Properties (Note 4)</b> | 1,873,016                | 1,034,584           |
| <b>Other Assets</b>                             | -                        | -                   |
|   | \$ 2,396,432             | \$ 1,110,156        |
| <b>LIABILITIES</b>                              |                          |                     |
| <b>Current</b>                                  |                          |                     |
| Accounts payable and accrued liabilities        | \$ 37,413                | \$ 113,743          |
|   | 37,413                   | 113,743             |
| <b>Due To Related Parties</b>                   | -                        | 78,645              |
|   | 37,413                   | 192,388             |
| <b>STOCKHOLDERS' EQUITY</b>                     |                          |                     |
| <b>Capital Stock (Note 5)</b>                   | 9,946,243                | 8,324,975           |
| <b>Share Subscriptions Received</b>             | -                        | 28,500              |
| <b>Contributed Surplus</b>                      | 528,438                  | 528,438             |
| <b>Deficit</b>                                  | (8,115,662)              | (7,964,145)         |
|   | 2,359,019                | 917,768             |
|   | \$ 2,396,432             | 1,110,156           |

Approved on Behalf of the Board:

*"Heather Conley"*

*"Judie Whitby"*

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

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

## AURAMEX RESOURCE CORP.

### CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND DEFICIT

(Unaudited – Prepared by Management)

|  | Three month period<br>ended |                | Cumulative nine month period<br>ended |                |
|--|-----------------------------|----------------|---------------------------------------|----------------|
|  | Sept. 30, 2007              | Sept. 30, 2006 | Sept. 30, 2007                        | Sept. 30, 2006 |
| <b>Expenses</b>  |                             |                |                                       |                |
| Audit and related services   | \$ 4,200                    | \$ 1,590       | \$ 16,010                             | \$ 9,170       |
| Accounting   | 1,228                       | 769            | 3,096                                 | 5,846          |
| Bank charges and interest  | 736                         | 201            | 2,052                                 | 1,203          |
| Entertainment and promotion  | 247                         | 2,095          | 644                                   | 3,030          |
| Investor relations   | 7,575                       | 4,500          | 16,575                                | 13,500         |
| Legal fees   | 16,777                      | 11,578         | 34,787                                | 39,653         |
| Management consulting fees   | 21,000                      | 18,000         | 58,000                                | 54,000         |
| Marketing  | 11,143                      | 730            | 18,823                                | 1,300          |
| Office   | 1,496                       | 518            | 3,882                                 | 1,104          |
| Property investigation   | -                           | -              | 59                                    | 40             |
| Shareholders communications  | 5,068                       | 4,777          | 7,652                                 | 6,315          |
| Telephone  | 482                         | 686            | 1,861                                 | 1,442          |
| Transfer agent and filing fees   | 10,935                      | 5,921          | 23,330                                | 19,621         |
| Travel   | 1,255                       | 3,704          | 7,048                                 | 4,484          |
| Worker's Compensation  | 4,844                       | -              | 5,225                                 | -              |
| Loss before the following  | <b>(86,986)</b>             | (55,069)       | <b>(199,044)</b>                      | (60,708)       |
| Interest Income  | 309                         | 38             | 528                                   | 107            |
| Miscellaneous income   | 47,000                      |                | 47,000                                |                |
| <b>Loss for period</b>   | <b>(39,699)</b>             | (55,031)       | <b>(151,516)</b>                      | (106,601)      |
| <b>Deficit, beginning of period</b>  | <b>(8,075,963)</b>          | (7,492,421)    | <b>(7,964,146)</b>                    | (7,386,851)    |
| <b>Deficit, end of period</b>  | <b>\$ (8,115,662)</b>       | \$ (7,547,452) | <b>(8,115,662)</b>                    | \$ (7,546,452) |
| <b>Earnings (loss) per share – basic</b>   | <b>\$ (0.001)</b>           | \$ (0.003)     | <b>(0.006)</b>                        | \$ (0.010)     |
| <b>Earnings per share – fully diluted</b>  | <b>\$ n/a</b>               | \$ n/a         | <b>\$ n/a</b>                         | \$ n/a         |
| <b>Weighted average number of shares used in the calculation of basic earnings(loss) per share</b>   | <b>27,731,597</b>           | 17,739,254     | <b>24,986,474</b>                     | 16,351,947     |
| <b>Weighted average number of shares used in the calculation of fully diluted earnings per share</b> | <b>n/a</b>                  | n/a            | <b>n/a</b>                            | n/a            |

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

# AURAMEX RESOURCE CORP.

## CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(Unaudited – Prepared by Management)

|   | Three month period<br>Ended |                | Cumulative nine month<br>period ended |                |
|---|-----------------------------|----------------|---------------------------------------|----------------|
|   | Sept. 30, 2007              | Sept. 30, 2006 | Sept. 30, 2007                        | Sept. 30, 2006 |
| <b>Cash flows from operating activities</b>                                   |                             |                |                                       |                |
| Net income/(loss)   | \$ (39,699)                 | \$ (55,031)    | \$ (151,517)                          | \$ (160,601)   |
| Items not involving cash  |                             |                |                                       |                |
| Shares issued for other than cash   | -                           | -              | 71,095                                | 7,500          |
| Recovery of future income tax   |                             |                |                                       |                |
|   | <b>(39,699)</b>             | (55,031)       | <b>(80,422)</b>                       | (153,101)      |
| Changes in operating assets and liabilities                                   |                             |                |                                       |                |
| Accounts receivable   | (5,767)                     | (4,142)        | (10,191)                              | (5,919)        |
| Prepaid expenses  | (3,497)                     | (2,641)        | (9,107)                               | (4,391)        |
| Accounts payable and accrued liabilities                                      | (121,014)                   | 57,667         | (76,330)                              | 33,457         |
|   | <b>(169,977)</b>            | (4,147)        | <b>(176,051)</b>                      | (129,954)      |
| <b>Cash flows from investing activities</b>                                   |                             |                |                                       |                |
| Acquisition costs – Mineral claims  | (10,008)                    | (2,838)        | (109,204)                             | (19,058)       |
| Exploration expenditure   | (250,718)                   | (159,456)      | (729,228)                             | (365,453)      |
| Reclamation deposit   | (22)                        | (12)           | 6                                     | (3)            |
| Other   | (2,640)                     | -              | (3,920)                               | 23,763         |
|   | <b>(263,388)</b>            | (162,306)      | <b>(842,345)</b>                      | (360,751)      |
| <b>Cash flows from financing activities</b>                                   |                             |                |                                       |                |
| Repayment of long term debt   | -                           | (10,700)       | (78,645)                              | (56,334)       |
| Share subscriptions received  | (13,000)                    | 20,250         | (28,500)                              | (107,750)      |
| Shareholder loan subscriptions received                                       | -                           | -              | 0                                     | -              |
| Shares issued for cash  | 885,000                     | 100,000        | 1,660,535                             | 670,000        |
| Share issuance costs  | (60,723)                    | (12,460)       | (110,362)                             | (80,478)       |
|   | <b>811,277</b>              | 97,090         | <b>1,443,028</b>                      | 425,438        |
| Increase (decrease) in cash   | <b>377,911</b>              | 69,363         | <b>424,631</b>                        | 65,267         |
| Cash, beginning of period   | <b>103,796</b>              | 120,261        | <b>57,076</b>                         | 116,165        |
| <b>Cash, end of period</b>  | <b>\$ 481,707</b>           | \$ 50,898      | <b>\$ 481,707</b>                     | \$ 50,898      |
| <b>Supplemental Disclosure of Cash Flow Information</b>                       |                             |                |                                       |                |
| Interest received   | \$ 134                      | \$ 38          | \$ 534                                | \$ 107         |
| Interest paid   | \$ -                        | \$ -           | \$ -                                  | \$ -           |
| <b>Supplemental Disclosure of Non-Cash Investing and Financing Activities</b> |                             |                |                                       |                |
| Shares issued as consideration for interest in mineral properties             | \$ -                        | \$ -           | \$ 71,095                             | \$ 7,500       |

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

# AURAMEX RESOURCE CORP.

## NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited – Prepared by Management)

SEPTEMBER 30, 2007

### 1. CONTINUING OPERATIONS

The financial statements for the quarter ended September 30, 2007 are prepared on a going-concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. The Company is in the development stage and currently derives no revenues from its operations. The Company has financed its operations principally through debt and equity financing. Substantial external financing will be required by the Company in order to fund its future operations, exploration of interests in mineral properties and meet listing requirements of the TSX Venture Exchange. The ultimate realization of the amounts shown as interests in mineral properties (Note 4) is dependent upon the continuance of rights to tenure of the areas of interest, the results of future exploration, the successful development and exploitation of the areas of interest or alternatively by their sale. The financial statements do not include any adjustments, which might result from the outcome of these uncertainties.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### a) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Exploración Auramex S.A. de C.V. (incorporated in Mexico). All significant intercompany transactions and balances have been eliminated upon consolidation.

#### b) Cash and cash equivalents

Cash and cash equivalents consist of cash and short term deposits with maturities of 90 days or less when acquired.

#### c) Equipment

Equipment is recorded at cost. Amortization is recorded annually on the diminishing balance basis over the estimated useful lives of the assets as follows:

|                               |      |
|-------------------------------|------|
| Exploration equipment         | 30%  |
| Computer and office equipment | 30%  |
| Computer software             | 100% |

#### d) Interests in Mineral Properties

The Company follows the method of accounting for its interests in mineral properties whereby all costs related to acquisition, exploration and development are capitalized by area of interest. These expenditures are carried forward where rights to tenure of the areas of interest are current, and it is expected the expenditure will be recovered through successful development and exploitation of the area of interest or alternatively by its sale and/or the activities are continuing in the area of interest but have not yet reached a stage of development which permits reasonable assessments of existence or otherwise of economically recoverable reserves. Expenditures which no longer satisfy the above criteria are written off. The carrying value of each of its interests in mineral properties is reviewed on a regular basis.

# AURAMEX RESOURCE CORP.

## NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited – Prepared by Management)

SEPTEMBER 30, 2007

### 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Interests in Mineral Properties (Continued)

On commencement of commercial production, net costs will be charged to operations on the unit-of-production method by property based upon estimated recoverable reserves.

e) Share Issuance Costs

Costs directly identifiable with the raising of capital are charged against the related share capital. Costs related to shares not yet issued are recorded as deferred financing costs. These costs are presented as other assets until the issuance of the shares to which the costs relate, at which time the costs are charged against the related share capital or charged to operations if the shares are not issued.

f) Loss Per Share

Loss per share computations are based upon the weighted average number of common shares outstanding during the year. The Company uses the treasury stock method to compute the dilutive effect of options, warrants and other similar instruments. Under this method, the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon the exercise of options and warrants. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. Diluted loss per share is not disclosed, as the effect of conversion of outstanding options and warrants is anti-dilutive.

g) Foreign currency transactions

Transactions denominated in Mexican Pesos and in American Dollars have been translated into Canadian dollars at the rate of exchange prevailing at the time of the transaction. Monetary assets and liabilities denominated in foreign currencies have been translated into Canadian dollars at the year-end exchange rate. Exchange gains and losses are included in annual operating results.

h) Financial Instruments

The carrying value of financial instruments, not otherwise disclosed separately in the financial statements, approximate their fair values. These financial instruments include cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities, loans payable, and amounts due to related parties. Their fair values approximate carrying values, since they are short term in nature and are receivable or payable on demand.

i) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination or impairment of deferred mineral property costs and reclamation obligations. Financial results as determined by actual events could differ from those estimates.

# **AURAMEX RESOURCE CORP.**

## **NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited – Prepared by Management)**

**SEPTEMBER 30, 2007**

### **2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **3. RECLAMATION DEPOSITS**

As at September 30, 2007 the company had reclamation deposits with the province of British Columbia totalling \$7,056 (2006 - \$7,034) with regard to the Brandywine and Summit/Oldtimer properties. With regard to the \$2,000 plus interest deposit relating to the Summit/Oldtimer property in which the Company no longer has an interest, an application to the Department of Energy & Mines is required in order to recover the deposit.

### **4. INTERESTS IN MINERAL PROPERTIES**

#### **Brandywine Property**

The Company holds a 100% interest, subject to a net smelter returns royalty of 0.5% with minimum annual royalty payments of \$50,000 following commencement of commercial production, in 5 located claims consisting of 51 units and one mining lease good to 2018, located in the Vancouver Mining Division of British Columbia. In consideration thereof, the Company paid \$10,000 and issued 6,667 shares valued at \$30,000. The Company also holds 125 hectares in cell claims at a staking cost of \$66, adjacent to the legacy claims described above. A payment of \$47,000 was received in July of 2007 in settlement of a quit claim on a portion of one of the mineral claims.

#### **Magenta Property**

##### **a) Magenta concessions**

The Company, through its Mexican subsidiary, Exploración Auramex S.A. de C.V., acquired by staking, 4,908 hectares located in Culiacan, Sinaloa State, Mexico. The staked ground encompasses the El Fierro exploration concession.

##### **b) El Fierro Concession**

The Company, through its Mexican subsidiary, entered into an option agreement, as amended, to acquire an 85% interest in the El Fierro concession, an exploration concession consisting of 733 hectares located in Culiacan, Sinaloa State, Mexico, by the payment of back taxes of \$8,810, the issuance of 20,000 common shares (issued), and the incurring of exploration expenses of US\$200,000 (approximately \$US150,000 has been spent) over five years commencing January 1, 2003. Auramex Mexico and Azteca have signed a letter of intent to extend the period of the option by one year, to December 2008. The Company will issue 25,000 shares in consideration of the extension, subject to TSX Venture Exchange approval.

# **AURAMEX RESOURCE CORP.**

## **NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited – Prepared by Management)**

**SEPTEMBER 30, 2007**

### **4. INTERESTS IN MINERAL PROPERTIES (continued)**

#### c) Gracias a Dios (El Escobal)

The Company, through its Mexican subsidiary, entered into an option agreement to acquire a 100% interest in the Gracias a Dios and Ampliación Gracias a Dios concessions, consisting of 50 hectares within the boundaries of the of the Magenta property in Mexico. Under the agreement the Company has the right to acquire a 100% interest in these concessions by paying \$US100,000 after one year and \$US300,000 after two years and issuing the equivalent in value to \$US50,000 in common shares (503,000 shares at a deemed price of \$0.115 issued) of the Company. The Company has also entered into an option agreement to purchase 450 hectares of surface land over these concessions and over part of the Magenta concession. Under this agreement, the Company must pay \$US100,000 in December 2008. The agreements require that both options be exercised, or that neither be exercised.

#### d) Ana Concession.

The Company, through its Mexican subsidiary, has entered into an agreement to acquire the mining concession known as Ana, a 275 hectare property adjacent to its Magenta concession, for payment of back taxes of \$US14,772 (paid), payment to the vendor of \$US2,000, (paid) upon signing of the agreement, and \$US8,000 to the vendor upon completion of the purchase. Due to complex issues regarding title, the purchase may not be approved by the Mines Department in Mexico.

#### **La Perla II Concession**

The La Perla II mining concession, consisting of 300 hectares in northern Sinaloa State, Mexico, was acquired by staking at a cost of \$2,831.

#### **Bear River Properties**

The Bear River property consists of 107 mineral claims covering 32,000 hectares located in the Skeena Mining Division, mostly within 30 kilometres of Stewart, British Columbia. Two mineral tenures totalling 235 hectares are 100% owned by the Company, having been acquired by staking at a cost of \$39. The rest of the property is held under option agreements entered into September 21, 2005, February 1, 2006 (two agreements), September 15, 2006, and February 21, 2007. Under the first agreement the Company has the right to acquire a 100% interest in 30 mineral tenures totalling 9203 hectares by paying \$11,000 (paid), issuing 200,000 common shares over a two year period (100,000 issued), and incurring property expenditures of \$25,000 by March 3, 2006 and \$50,000 in each of 2006 and 2007(\$224,800 expended). Under the second agreement, the Company has the right to acquire a 100% interest in 18 mineral tenures totalling 4,097 hectares by paying \$6,000 (paid) and issuing 60,000 shares over a two year period (30,000 issued). Under the third agreement, the Company has the right to acquire a 100% interest in 23 mineral tenures totalling 7,326 hectares by paying \$1,000 (paid) and issuing 140,000 shares over a two year period (70,000 issued). Under the fourth agreement the Company has the right to acquire a 100% interest in 26 mineral tenures totalling 6,351 hectares by paying \$3,500 (paid) and issuing 25,000 shares over a period of one and a half years (10,000 issued). Under the fifth agreement, the Company has the right to acquire a 100% interest in nine mineral claims totalling 4,791 hectares by paying \$3,400 (paid) and issuing 150,000 shares over a period of two years

# AURAMEX RESOURCE CORP.

## NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited – Prepared by Management)

**SEPTEMBER 30, 2007**

### 4. INTERESTS IN MINERAL PROPERTIES (Continued)

(50,000 issued). Each option agreement provides that after the Company has earned its interest, the Optionor is entitled to receive a 1% Net Smelter Returns royalty. The Net Smelter Returns royalty under all five agreements can be purchased by the Company for a total of \$4,000,000.

|  | 2007 ACQUISITION AND DEFERRED EXPLORATION COSTS |                     |                           |                                |                           | TOTAL        |
|--|---|---------------------|---------------------------|--------------------------------|---------------------------|--------------|
|  | BRANDYWINE<br>PROPERTY                          | MAGENTA<br>PROPERTY | LAS PERLAS<br>CONCESSIONS | GRACIAS<br>A DIOS<br>(ESCOBAL) | BEAR<br>RIVER<br>PROPERTY |              |
| Acquisition Costs                      |   |                     |                           |                                |                           |              |
| Balance, beginning of year             | \$ 40,066                                       | \$ 55,484           | \$ 4,559                  | \$ 15,591                      | \$ 51,391                 | \$ 167,091   |
| Additions                              | -   | 27,166              | -                         | 61,594                         | 20,443                    | 109,203      |
| Balance, end of period                 | 40,066  | 82,650              | 4,559                     | 77,185                         | 71,834                    | 276,294      |
| Deferred Exploration                   |   |                     |                           |                                |                           |              |
| Balance, beginning of year             | 28,716  | 605,189             | 8,723                     | -                              | 224,865                   | 867,493      |
| Geological, mapping and field expenses | 4,053   | 80,227              | 16                        | 387,830                        | 244,732                   | 716,858      |
| Permits, taxes and assessment fees     | 428   | 4,340               | 888                       | 2,673                          | 4,041                     | 12,370       |
| Balance, end of period                 | 33,197  | 689,756             | 9,627                     | 390,503                        | 473,638                   | 1,596,721    |
| Total                                  | \$ 73,263                                       | \$ 772,406          | \$ 14,186                 | \$ 467,688                     | \$ 545,472                | \$ 1,873,015 |

### 5. CAPITAL STOCK

#### a) Authorized

Unlimited number of common shares without par value

#### b) Issued

|  | NUMBER OF<br>SHARES | AMOUNT       |
|--|---------------------|--------------|
| Balance, December 31, 2006                       | 18,819,749          | \$ 8,324,975 |
| Shares issued for cash – private placements      | 10,000,000          | 1,385,000    |
| Shares issued for cash – warrants exercised      | 1,950,000           | 266,500      |
| Shares issued for cash – options exercised       | 69,500              | 9,035        |
| Shares issued on acquisition of mineral property | 588,000             | 71,095       |
| Share issuance costs                             |                     | (110,362)    |
| Balance, September 30, 2007                      | 31,427,429          | \$ 9,946,243 |

# AURAMEX RESOURCE CORP.

## NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited – Prepared by Management)

SEPTEMBER 30, 2007

### 5. CAPITAL STOCK (Continued)

On January 11, 2007, the Company granted 100,000 stock options to a consultant to purchase common shares at a price of \$0.15 per share until January 11, 2012.

On January 16, 2007, the Company completed a non-brokered private placement of 2,500,000 units at a price of \$0.12 per unit. Each unit consists of one common share and one share purchase warrant to acquire one additional share at a price of \$0.15 per share for a period of two years from date of closing. Finders' fees of \$23,040 were paid in connection with the placement.

On March 12, 2007, the Company completed a non-brokered private placement of 1,000,000 units at a price of \$0.20 per unit. Each unit consists of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share at a price of \$0.25 per share up to March 15, 2009. The Company paid finders' fees of \$10,000 in connection with this transaction.

On July 17, 2007, the Company completed a non-brokered private placement of 2,000,000 units at a price of \$0.13 per unit. Each unit consists of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share at a price of \$0.15 per share up to July 17, 2009. The Company paid finders' fees of \$20,345 in connection with this transaction.

On September 6, 2007, the Company completed a non-brokered private placement of 2,000,000 units at a price of \$0.15 per unit. Each unit consists of one flow-through common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one common share at a price of \$0.20 per share up to September 6, 2009. The Company paid finders' fees of \$12,750 in connection with this transaction.

On September 6, 2007, the Company also completed a non-brokered private placement of 2,500,000 units at a price of \$0.13 per unit. Each unit consists of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share at a price of \$0.15 per share up to September 6, 2009. The Company paid finders' fees of \$19,500 in connection with this transaction.

#### c) Warrants

At September 30, 2007, the following share purchase warrants are outstanding:

| <u>NUMBER OF<br/>WARRANTS</u> | <u>EXERCISE<br/>PRICE</u> | <u>EXPIRY<br/>DATE</u> |
|-------------------------------|---------------------------|------------------------|
| 925,000                       | \$ 0.12                   | January 4, 2008        |
| 310,000                       | \$ 0.12                   | January 24, 2008       |
| 565,000                       | \$ 0.12                   | February 14, 2008      |
| 860,000                       | \$ 0.12                   | April 6, 2008          |
| 880,000                       | \$ 0.15                   | May 2, 2008            |
| 710,000                       | \$ 0.15                   | August 15, 2008        |
| 500,000                       | \$ 0.15                   | November 8, 2008       |
| 2,500,000                     | \$ 0.15                   | January 16, 2009       |

## AURAMEX RESOURCE CORP.

### NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited – Prepared by Management)

**SEPTEMBER 30, 2007**

#### 5. CAPITAL STOCK (Continued)

##### c) Warrants (Continued)

|                   |                |                   |
|-------------------|----------------|-------------------|
| 1,000,000         | \$ 0.25        | March 12, 2009    |
| 2,000,000         | \$ 0.20        | July 17, 2009     |
| 2,500,000         | \$ 0.15        | September 6, 2009 |
| <u>2,000,000</u>  | <u>\$ 0.20</u> | September 6, 2009 |
| <u>14,750,000</u> |                |                   |

##### d) Stock Options

The Company's stock option plan provides for the grant of incentive stock options on up to 5,385,000 common shares to employees, consultants, officers and directors of the company. Options are granted for a term of up to five years from the date of grant. Stock options granted generally vest over a period of eighteen months.

The changes in stock options are as follows:

|                             | NUMBER<br>OF<br>OPTIONS | WEIGHTED<br>AVERAGE<br>EXERCISE<br>PRICE |
|-----------------------------|-------------------------|--|
| Balance, December 31, 2006  | 2,344,000               | 0.14                                     |
| Granted                     | 100,000                 | 0.15                                     |
| Exercised                   | <u>(69,500)</u>         | 0.13                                     |
| Balance, September 30, 2007 | <u>2,374,500</u>        | \$ 0.14                                  |

The following table summarizes information about the stock options outstanding at September 30, 2007

| OPTIONS OUTSTANDING |                        |  | OPTIONS EXERCISABLE    |                   |
|---------------------|------------------------|--|------------------------|-------------------|
| EXERCISE<br>PRICE   | NUMBER<br>OF<br>SHARES | REMAINING<br>CONTRACTUAL<br>LIFE (YEARS) | NUMBER<br>OF<br>SHARES | EXERCISE<br>PRICE |
| \$ 0.15             | 825,000                | 1.08                                     | 825,000                | \$ 0.15           |
| 0.13                | 380,000                | 1.23                                     | 380,000                | 0.13              |
| 0.13                | 50,000                 | 1.90                                     | 50,000                 | 0.13              |
| 0.13                | 150,000                | 1.98                                     | 150,000                | 0.13              |
| 0.20                | 100,000                | 2.60                                     | 100,000                | 0.20              |
| 0.13                | 769,500                | 3.47                                     | 769,500                | 0.13              |
| 0.15                | <u>100,000</u>         | 4.28                                     | <u>50,000</u>          | 0.13              |
|                     | <u>2,374,500</u>       |  | <u>2,324,500</u>       |                   |

## AURAMEX RESOURCE CORP.

### NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited – Prepared by Management)

**SEPTEMBER 30, 2007**

#### 6. RELATED PARTY TRANSACTIONS

- a) The following table discloses the related party transactions for the nine months ended September 30, 2007 and 2006 as follows:

| RELATED PARTY                 | TYPE OF TRANSACTION                              | TERMS AND CONDITIONS | 2007             | 2006      |
|-------------------------------|--|----------------------|------------------|-----------|
| Director and Officer          | Management Consulting Fees                       | Normal Commercial    | \$ <b>22,500</b> | \$ 22,500 |
| Director                      | Legal fees in connection with private placements | Normal Commercial    | \$ <b>24,828</b> | \$ 36,154 |
|                               | Legal fees for mineral property acquisitions     | Normal Commercial    | \$ <b>2,848</b>  | \$ 1,424  |
|                               | Legal fees                                       | Normal Commercial    | \$ <b>31,170</b> | \$ 32,952 |
|                               | Legal fees and expenses from prior years         | Normal Commercial    | \$ <b>78,645</b> | \$ 43,790 |
| Director                      | Geological Consulting                            | Normal Commercial    | \$ <b>53,962</b> | \$ 85,106 |
| Director and Officer          | Consulting fees                                  | Normal commercial    | \$ <b>35,500</b> | \$ 31,500 |
|                               | Expense reimbursement                            | Cost reimbursement   | \$ <b>12,288</b> | \$ 8,497  |
| Company Related to a Director | Investor relations                               | Normal commercial    | \$ <b>13,500</b> | \$ 13,500 |
|                               | Expense reimbursement                            | Cost reimbursement   | \$ -             | \$ 2,774  |