EAGLE PLAINS RESOURCES LTD.
(A Development Stage Corporation)
CONSOLIDATED FINANCIAL STATEMENTS
For the period ended
June 30, 2008

(Unaudited – prepared by management)

EAGLE PLAINS RESOURCES LTD.
(A Development Stage Corporation)
CONSOLIDATED UNAUDITED
INTERIM FINACIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company disclosed that its auditors have not reviewed the unaudited consolidated financial statements for the period ended June 30, 2008.

NOTICE TO READER OF THE
INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of Eagle Plains Resources Ltd. and the accompanying interim consolidated financial statements as at June 30, 2008 are the responsibility of the Company's management.

These consolidated financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company, Deloitte & Touche.

The interim consolidated financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these consolidated financial statements in accordance with Canadian Generally Accepted Accounting Principles.

"Timothy J Termuende"	*"Glen J Diduck"*
Timothy J. Termuende, P. Geo	Glen J. Diduck, CA
President and Chief Executive Officer	Chief Financial Officer, Director

EAGLE PLAINS RESOURCES LTD.
(A Development Stage Corporation)
CONSOLIDATED BALANCE SHEET
(Unaudited – prepared by management)

	Jun30 2008 (unaudited)	Dec 31 2007 (unaudited)
Assets		
Current		
Cash and cash equivalents	**$ 6,304,881**	$ 6,167,186
Accounts receivable	**1,798,944**	1,262,097
Due from related company (Note 8)	**30,459**	250,000
Mineral exploration tax credits recoverable	**591,731**	591,731
	8,726,015	8,271,014
Due from related company	**-**	100,100
Investments (Note 3)	**2,011,839**	2,235,588
Property and equipment (Note 4)	**734,739**	701,945
Mineral exploration properties (Note 5)	**10,901,669**	9,791,193
	$ 22,374,262	$ 21,099,840
Liabilities and Shareholder's Equity		
Current		
Accounts payable and accrued liabilities	**$ 330,645**	$ 460,444
Future income tax (Note 13)	**1,648,640**	1,648,640
	1,979,285	2,109,084
Shareholder's equity		
Share capital (Note 6)	**21,351,079**	19,309,880
Warrants	**508,552**	1,203,352
Contributed surplus (Note 6)	**2,191,301**	1,319,801
Accumulated other comprehensive deficit	**(722,788)**	(82,348)
Deficit	**(2,933,168)**	(2,759,929)
	20,394,976	18,990,756
	$ 22,374,262	$ 21,099,840

Commitments and contingencies (Note 9)
Subsequent events (Note 12)

On behalf of the Board:

"Timothy J Termuende" Director
Mr. Timothy J. Termuende (Signed)

"Glen J Diduck" Director
Mr. Glen J. Diduck (Signed)

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

EAGLE PLAINS RESOURCES LTD.
(A Development Stage Corporation)
CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
(Unaudited – prepared by management)

	Three Months Ended Jun 30 **2008**	Three Months Ended Jun 30 2007	Six Months Ended Jun 30 **2008**	Year Ended Dec 31 2007
Revenue				
Geological services	$ **367,679**	$ 1,011,945	$ **975,017**	$ 2,656,606
Geological expenses				
Services	**166,824**	648,219	**565,303**	1,744,735
Amortization	**22,776**	12,620	**41,278**	71,616
Salaries and subcontractors	**27,970**	76,217	**102,638**	239,964
	217,570	773,056	**709,219**	2,056,315
Income before other expenses	**150,109**	238,889	**265,798**	600,291
Expenses				
Administration costs	**180,442**	111,961	**319,762**	552,862
Trade shows, travel and promotion	**34,252**	86,123	**80,775**	274,840
Public company costs	**20,741**	21,025	**31,694**	64,154
Professional fees	**50,903**	49,605	**77,421**	194,947
Amortization	**7,082**	4,075	**14,103**	25,180
Stock compensation expense	**214,800**	111,400	**220,100**	260,144
	508,220	384,189	**743,855**	1,372,127
Loss before other items	**(358,111)**	(145,300)	**(478,057)**	(771,836)
Other items				
Option proceeds in excess of carrying value	**-**	-	**140,473**	948,246
Interest and other income	**102,985**	126,047	**164,345**	552,316
Gain on sale of investments	**-**	26,590	**-**	26,590
Net income (loss) for the period	**(255,126)**	(49,193)	**(173,239)**	755,316
Future income tax expense	**-**	-	**-**	66,337
Net income (loss) for the period	**(255,126)**	(49,193)	**(173,239)**	688,979
Deficit, beginning of period	**(2,678,043)**	(3,920,621)	**(2,759,929)**	(3,448,908)
Deficit, end of period	**$ (2,933,169)**	$(3,969,814)	**$ (2,933,168)**	$ (2,759,929)
Earnings per share – basic (Note 7)	**$ (0.0042)**	$ (0.0013)	**$ (0.0028)**	$ 0.0127
- diluted (Note 7)	**$ (0.0039)**	$ (0.0013)	**$ (0.0026)**	$ 0.0122

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

EAGLE PLAINS RESOURCES LTD.
(A Development Stage Corporation)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited – prepared by management)

	Three Months Ended Jun 30 **2008**	Three Months Ended Jun 30 2007	Six Months Ended Jun 30 **2008**	Year Ended Dec 31 2007
Net earnings (loss)	**$ (255,126)**	$ -	**$ (173,259)**	$ 688,979
Other comprehensive loss				
Unrealized loss on marketable securities (Note 3)	**(389,222)**	-	**(640,440)**	(1,014,131)
Comprehensive loss	**$ (644,348)**	$ -	**$ (813,699)**	$ (325,152)

EAGLE PLAINS RESOURCES LTD.
(A Development Stage Corporation)
CONSOLIDATED STATEMENTS OF ACCUMULATED OTHER COMPREHENSIVE LOSS
(Unaudited – prepared by management)

	Three Months Ended Jun 30 **2008**	Three Months Ended Jun 30 2007	Six Months Ended Jun 30 **2008**	Year Ended Dec 31 2007
Accumulated other comprehensive loss, beginning of period	**$ (333,566)**	$ -	**$ (82,348)**	$ -
Cumulative effect adjustment at January 1, 2007	-	-	-	931,783
Other comprehensive loss				
Unrealized loss on marketable securities (Note 3)	**(389,222)**	-	**(640,440)**	(1,014,131)
Accumulated other comprehensive loss, end of period	**(722,788)**	-	**(722,788)**	(82,348)
Deficit	**(2,933,168)**	(3,920,621)	**(2,933,168)**	(2,759,929)
Accumulated other comprehensive loss and deficit	**$ (3,655,956)**	$ (3,920,621)	**$ (3,655,956)**	$ (2,842,277)

EAGLE PLAINS RESOURCES LTD.

(A Development Stage Corporation)

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited – prepared by management)

	Three Months Ended Jun 30		Six Months Ended Jun 30	Year Ended Dec 31
	2008	2007	**2008**	2007
Cash flows from operating activities				
Income (loss) for the period	**$ (255,126)**	$ (49,193)	**$ (173,239)**	$ 688,979
Adjustment for:				
Amortization	**29,858**	16,695	**55,381**	96,796
Stock compensation	**214,800**	111,400	**220,100**	260,144
Option proceeds in excess of carrying value	**-**	**-**	**(140,473)**	(948,246)
Gain on sale of investments	-	(26,590)	-	(26,590)
Future income tax expense	-	-	**-**	66,337
	(10,468)	52,312	**(38,231)**	137,420
Changes in non-cash working capital items				
Increase (decrease) in accounts receivable	**(67,764)**	159,323	**(536,847)**	504,106
Increase (decrease) in mineral exploration tax credits recoverable	-	-	**-**	(476,928)
Increase (decrease) in accounts payable	**(273,553)**	791,935	**(129,799)**	61,657
Decrease (increase) in due to related party	**82,241**	174,882	**319,641**	(250,000)
	(271,544)	1,178,452	**(385,236)**	(973,184)
Cash flows from financing activity				
Cash received for option payments	**40,000**	**-**	**40,000**	**-**
Share issuance costs	**(11,025)**	**-**	**(30,809)**	**-**
Issue of shares for cash, net	**2,000,001**	2,826	**2,028,608**	4,933,501
	2,028,976	2,286	**2,037,799**	4,933,501
Cash flows from investing activities				
Reclassify investments	**-**	-	**(51,191)**	-
Purchase investments	**(6,500)**	-	**(6,500)**	-
Proceeds from sale of investments	**-**	31,990	**-**	31,990
Shareholder loan in related company	-	-	-	(100,100)
Development of mineral exploration properties	**(994,907)**	(1,123,813)	**(1,369,003)**	(4,063,503)
Purchase of equipment	**(71,392)**	(88,985)	**(88,174)**	(579,998)
	(1,072,799)	(1,005,926)	**(1,514,868)**	(4,711,611)
Increase in cash and cash equivalents	**684,633**	470	**137,695**	198,145
Cash and cash equivalents, beginning of period	**5,620,248**	5,121,671	**6,167,186**	5,969,041
Cash and cash equivalents, end of period	**$ 6,304,881**	$ 5,122,141	**$ 6,304,881**	$ 6,167,186
Cash and cash equivalents comprise:				
Bank deposits	**$ 200,085**	$ 602,922	**$ 200,085**	$ 2,334,179
Term deposits	**6,104,796**	4,519,219	**6,104,796**	3,833,007
	$ 6,304,881	$ 5,122,141	**$ 6,304,881**	$ 6,167,186

The Company made no cash payments for interest or income taxes.

1. Nature of Operations

Eagle Plains Resources Limited (the "Company" or "Eagle Plains") was incorporated on March 30, 1994, pursuant to the Alberta Business Corporation Act (Alberta), and is extra provincially registered in the Yukon, British Columbia, the Northwest Territories and Saskatchewan. The Company is in the business of exploring for mineral resources and is actively exploring properties located in British Columbia, Yukon, the Northwest Territories and Saskatchewan. As the Company has not commenced production on any of its mining properties the Company continues to be a development stage company.

Recoverability of the amounts shown for mineral exploration properties is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development, and attain profitable production or proceeds from the disposition of the properties in excess of the carrying amount.

2. Significant Accounting Policies

Management has prepared the consolidated financial statements of the Company in accordance with Canadian generally accepted accounting principles. The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. The consolidated financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

a) Changes in accounting policies and practices

Effective January 1, 2008, the Company adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA"):

(a) Section 1535, "Capital Disclosures"
(b) Section 3862, "Financial Instruments – Disclosures"
(c) Section 3863, "Financial Instruments – Presentation"

These new standards have been adopted on a prospective basis with no restatement to prior period comparative balances.

Section 1535, "Capital Disclosures"

This standard requires disclosure of an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital and whether the entity has complied with any capital requirements and, if it has not complied, the consequences of such non-compliance.

Our objectives when managing capital are to safeguard the Company's assets while at the same time maximizing the growth of the company and returns to its shareholders.

2. Significant Accounting Policies - continued

The Company defines its capital as shareholders' equity and cash and cash equivalents. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, sell assets, incur debt or return capital to shareholders. The Company is not subject to externally imposed capital requirements.

<u>Section 3862, "Financial Instruments – Disclosure, Section 3863, "Financial Instruments – Presentation"</u>
Section 3862 provides guidance on disclosures in the financial statements to enable users of the financial statements to evaluate the significance of financial instruments to the Company's financial position and performance, and about risks associated with both recognized and unrecognized financial instruments and how these risks are managed. Section 3863 establishes standards for presentation of financial instruments.

The Company is exposed in varying degrees to a variety of financial instrument related risks by virtue of its activities. The overall financial risk management program focuses on preservation of capital, and protecting current and future Company assets and cash flows by reducing exposure to risks posed by the uncertainties and volatilities of financial markets.

The types of risk exposure and the way in which such exposures are managed are as follows:

Credit Risk - The Company's credit risk is primarily attributable to its liquid financial assets. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash and equivalents with high-credit quality financial institutions. The Company does not have financial assets that are invested in asset backed commercial paper.

Liquidity Risk – The Company ensures that there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash and cash equivalents. The company believes that these sources will be sufficient to cover the likely short and long term cash requirements. The Company's cash is invested in business accounts with quality financial institutions and which is available on demand for the Company's programs, and is not invested in any asset backed commercial paper.

Market Risk – The significant market risk exposures to which the Company is exposed are interest rate risk and commodity price risk. These are discussed further below:

Interest rate risk – In respect to the Company's financial assets, the interest rate mainly arises from the interest rate impact on our cash and cash equivalents and reclamation deposits.

Commodity price risk – The value of the Company's mineral resource properties is related to the price of various commodities and the outlook for them. Commodity prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial retail demand, central bank lending, forward sales by producers and speculators, level of worldwide production and short-term changes in supply and demand.

The company has various financial instruments comprising of cash and cash equivalents, receivables, accounts payable and accrued liabilities.

2. Significant Accounting Policies - continued

The carrying amounts and fair values of financial assets are as follows:

	June 30 2008		December 31 2007	
	Carrying Value	**Estimated Fair Value**	Carrying Value	Estimated Fair Value
Receivables				
Accounts receivable [(1)]	**1,798,944**	**1,798,944**	1,262,097	1,262,097
Due from related party	**30,459**	**30,459**	250,000	250,000
Mineral exploration tax credits	**591,731**	**591,731**	591,731	591,731
Available-for-sale financial assets				
Investments	**1,954,148**	**1,954,148**	2,235,588	2,235,588
Held-for-trading				
Cash and cash equivalents[(1)]	**6,304,881**	**6,304,881**	6,115,995	6,115,995
Guaranteed Investment Certificates[(1)]	**57,691**	**57,691**	51,191	51,191
Other financial liabilities				
Payables and accrued liabilities[(1)]	**330,645**	**330,645**	460,444	460,444

[(1)] Due to the nature and/or short maturity of these financial instruments, carrying value approximates fair value

b) Principles of consolidation
The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Bootleg Exploration Inc.

c) Mineral exploration properties
Costs of acquisition, exploration and development of mineral properties are capitalized on an area-of-interest basis. General and administrative costs are either charged to expense in the year incurred or capitalized if they directly relate to exploration. Amortization of these costs will be on a unit-of-production basis, based on estimated proven reserves of minerals of the areas, should such reserves be found. Properties are abandoned either when the lease expires or when management determines that no further work will be performed on the property since it has no value to the Company. When significant properties in an area of interest are abandoned, the costs related thereto are charged to operations on a pro-rata basis to the total costs to date included in the area, in the year of abandonment. The proceeds received from a partial disposition or an option payment is credited against the capitalized costs; proceeds received in excess of costs incurred on a property by property basis are credited to income. In addition, if there has been a delay in development activity for several successive years, a write-down of those project-capitalized costs will be charged to operations.

Management of the Company reviews and evaluates the carrying value of each mineral property for impairment when events or changes in circumstances indicate that the carrying amounts of the related asset may not be recoverable. If the total estimated future cash flows on an undiscounted basis are less than the carrying amount of the asset, an impairment loss is

2. Significant Accounting Policies - continued

recognized and the asset written down to fair value which is normally determined using the discounted value of future cash flows. Where estimates of future net cash flows are not available and where other conditions suggest impairment, management assesses whether carrying value can be recovered by considering alternative methods of determining fair value.

d) Investments
Securities acquired under option agreements executed with option partners on the Company's mineral properties are recorded at the "fair value" as determined by management. Fair value is based on closing market prices for publicly traded shares recognizing the possible effects of price fluctuations, quantities traded and similar items. The fair value may or may not approximate trading prices at the time the agreement is executed. As such, the related capitalized mining expenditures are also reduced by the fair value of the investment received.

e) Property and equipment
Property and equipment consists of automotive, computers, office and field equipment and leasehold improvements, and is recorded at cost. Amortization is determined using the declining balance method, using the rates below which approximate the estimated useful life of the asset:

Building	- 5% per annum
Automotive	- 30 % per annum
Computer	- 30 % and 45 % per annum
Computer software	- 100% per annum
Furniture and equipment	- 20 % per annum
Leasehold improvements	- straight line over 6 years

f) Asset retirement obligations
At June 30, 2008 and 2007, the Company estimate for asset retirement obligations is not material. The Company has currently made no provision for site restoration costs or potential environmental liabilities as all properties are still in the exploration stages. A liability for the fair value of environmental and site restoration obligations will be recorded when the obligations are incurred. For the Company, significant obligations will be incurred at the time the related assets are brought into production.

g) Flow-through shares
The resource expenditure deductions for income tax purposes related to exploratory and development activities funded by flow-through share arrangements are renounced to investors in accordance with tax legislation. Under the liability method of accounting for income taxes, the future income taxes related to the temporary difference arising at the renunciation date are recorded at that time together with a corresponding reduction to the carrying value of the shares issued.

h) Financial instruments
The Company carries various financial instruments. Unless otherwise indicated, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

i) Cash and cash equivalents
Cash and cash equivalents consist of cash on hand, bank balances, term deposits and investments with maturities of three months or less from the date of purchase.

2. Significant Accounting Policies - continued

j) Per share amounts
Basic income (loss) per common share is computed by dividing the net income (loss) for the period by the weighted average number of common shares outstanding for the period. Diluted per share amounts reflect the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares. The treasury stock method is used to determine the dilutive effect of stock options and other dilutive instruments.

k) Income taxes
The Company uses the liability method of accounting for income taxes. Under this method, future income tax liabilities and future income tax assets are recorded based on temporary differences – the difference between the carrying amount of an asset and liability in the balance sheet and its tax basis and the carry forward of unused tax pools and unamortized share issue costs. Future income tax assets and liabilities are measured using income tax rates expected to apply on the years in which temporary differences are expected to be recovered or settled. The effect on future income tax assets and liabilities of a change in tax rates is included in income in the period that the change is substantially enacted. Future income tax assets are evaluated and if realization is not considered "more likely than not", a valuation allowance is provided.

l) Stock-based compensation plan
The Company has equity incentive plans which are described in Note 6. The fair value of options to purchase common shares is calculated at the date of grant using the Black-Scholes option-pricing model and that value is recorded as compensation expense over the grant's vesting period with an offsetting credit to contributed surplus. Upon exercise of the share purchase option, the associated amount is reclassified from contributed surplus to share capital. Consideration paid by employees upon exercise of share purchase options is credited to share capital.

m) Mineral tax credit
The Federal and Provincial taxation authorities provide companies with tax incentives for undertaking mineral exploration programs in certain areas. The Company accrues these credits as a reduction of mineral exploration expenditures in the period that the related expenditures were incurred. These accrued credits are subject to review by the relevant authorities and by their nature are subject to measurement uncertainty. Adjustments if any, resulting from such a review are recorded in the period that the tax filings are amended.

n) Revenue recognition
Revenue associated with the geological services provided by the Company is recognized when services are performed.

o) Option Agreements
The Company's exploration and development activities are conducted jointly with others. These consolidated financial statements reflect only the Company's proportionate interest in such activities.

p) Measurement Uncertainty
The preparation of financial statements in conformity with Canadian 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 include impairment of mineral properties; impairment of capital assets; useful lives for amortization of capital assets;

2. Significant Accounting Policies - continued

reclamation and environmental obligations; and contingencies reported in the notes to the financial statements. Financial results as determined by actual events could differ from those estimates.

The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options which were fully tradable with no vesting restrictions. This option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options and warrants have characteristics significantly different from those of traded options and because changes in the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

3. Investments at market

	Jun 30, 2008	Dec 31, 2007
140,000 (2007 – 140,000) common shares of Alexco Resources Corp	**$ 469,000**	$ 749,000
25,000 (2007 – 25,000) common shares of Amarc Resources Ltd	**17,250**	12,500
540,000 (2007 – 540,000l) common shares of Blind Creek Resources Ltd.	**81,000**	81,001
1,050,000 (2007 – 250,000) common shares of Blue Sky Uranium Corp	**315,000**	125,000
9,710,658 (2007 - 9,710,658) common shares of Golden Cariboo Resources Ltd.	**291,320**	388,426
40,000 (2007 – 40,000) common shares of Kobex Resources	**16,000**	35,600
50,000 (2007 – nil) common shares of Mountain Capital Inc	**5,000**	-
900,000 (2007 – 900,000) common shares of Northern Continental Resources Inc.	**162,000**	270,000
65,000 (2007 – 65,000) common shares of NovaGold Resources Inc	**497,900**	526,500
100,000 (2007 – nil) common shares of Sandstorm Resources Ltd	**50,000**	-
140,000 (2007 – 140,000) common shares of Shoshone Silver Mining	**25,678**	34,561
400,000 (2007 – 200,000) common shares of Wellstar Energy Corp	**24,000**	13,000
	1,954,148	2,235,588
Guaranteed Investment Certificates	**57,691**	-
	$ 2,011,839	$ 2,235,588

For securities traded in an active market, market value is based on the quoted closing prices of the securities at June 30, 2008. The fair value of these securities may differ from the quoted trading price due to the effect of market fluctuations and adjustment for quantities traded. The investments in Blind Creek and Mountain Capital are carried at cost as their securities are not traded in an active market.

3. Investments - continued

These investments have been classified as available-for-sale securities, in accordance with Handbook Section 3855, Financial Instruments. The adoption of this Section resulted in a decrease of $389,222 to investments with a corresponding increase to accumulated other comprehensive loss of $389,222.

4. Property and Equipment

	Jun 30 2008		Dec 31 2007	
	Cost	**Accumulated Amortization**	Cost	Accumulated Amortization
Land	**230,216**	**-**	230,216	-
Building	**180,884**	**8,931**	180,884	4,522
Automotive	**113,282**	**52,177**	113,282	41,394
Computer equipment & software	**213,812**	**122,481**	163,739	101,846
Equipment and furniture	**253,580**	**88,891**	215,478	73,228
Leasehold Improvements	**37,663**	**22,218**	37,663	18,327
	1,029,437	**294,698**	941,317	239,317
Net book value	**$ 734,739**		$ 701,945	

5. Mineral Properties

During the second quarter, the Company expended $994,907 (2007 - $1,613,259) net of grants, option payments, and mineral tax credits of $58,000 (2007 - $489,446), on the exploration and development of their mineral properties, of which $422,548 (2007 - $626,595) was expended in B.C., $454,680 (2007 - $732,594) in the Northwest Territories, $15,093 (2007 – $37,070) in the Yukon and $102,586 (2007 – $217,000) in Saskatchewan.

The Company has interests in a number of exploration projects. As at June 30, 2008, the Company had executed agreements with third parties on the following projects:

Option Agreements - Third party earn in

a) **Blende Project:** In 2005 the Company entered into an option agreement with Blind Creek Resources Ltd. ("Blind Creek") whereby Blind Creek may earn a 60% interest in Eagle Plains' wholly owned Blende property by completing $5,000,000 in exploration expenditures, issuing to Eagle Plains 900,000 common shares, and making $225,000 in cash payments by December 31, 2010. The payments are due as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 13,500	180,000		Upon execution (received)
27,000	180,000	$ 500,000	December 31, 2006 (received)
36,000	180,000	500,000	December 31, 2007 (received)
36,000	180,000	1,000,000	December 31, 2008
45,000	180,000	1,000,000	December 31, 2009
67,500	-	2,000,000	December 31, 2010
$ 225,000	900,000	$5,000,000	

5. Mineral Properties - continued

All of the commitments made by Blind Creek to December 31, 2007 have been met. The Company has received 540,000 shares of Blind Creek recorded at a value of $81,001.

b) **Eagle Lake Project: I**n December 2006, the Company completed an option agreement whereby Blue Sky Uranium Corp ("Blue Sky") can earn a 60% interest in Eagle Plains' 100% owned uranium project located in north-central Saskatchewan by incurring $5,000,000 in exploration expenditures by December 31, 2010, issuing 1,000,000 common shares of Blue Sky to Eagle Plains and reimburse Eagle Plains for all acquisition costs. A 1% royalty has been reserved for a third-party individual, and may be purchased at any time for $1,000,000. Payments are due from Blue Sky as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$10,000	50,000		30 days following qualified independent report (received)
25,000	50,000		On signing of formal agreement (received)
	100,000	$ 200,000	December 31, 2006 (received)
	200,000	300,000	December 31, 2007 (received)
	200,000	500,000	December 31, 2008
	200,000	2,000,000	December 31, 2009
	200,000	2,000,000	December 31, 2010
$35,000	1,000,000	$5,000,000	

In January 2008, the Company received 200,000 shares of Blue Sky Uranium Corp., recorded at $80,000, for the December 31, 2007 option payment as required by the Eagle Lake option agreement. All of the commitments to December 31, 2007 have been met.

c) **Elsiar Project:** On January 16, 2008, the Company completed an option agreement whereby Sandstorm Resources Ltd. ("Sandstorm") can earn a 60% interest in Eagle Plains' 100% owned copper-moly-gold property by making exploration expenditures of $3,000,000 and completing payments of 700,000 shares and $500,000 cash by the fifth anniversary. A 1% NSR is reserved for Eagle Plains. Payments are due from Sandstorm are as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 20,000	100,000		On receipt of TSX approval (received)
25,000	100,000	$ 200,000	April 15, 2009
25,000	100,000	300,000	April 15, 2010
50,000	100,000	500,000	April 15, 2011
120,000	100,000	750,000	April 15, 2012
260,000	200,000	1,250,000	April 15, 2013
$ 500,000	700,000	$ 3,000,000	

The Company has received 100,000 shares of Sandstorm, recorded at $13,000, and the cash payment of $20,000 for the option payments, as required by the option agreement.

5. Mineral Properties - continued

d) **Kalum Project:** On November 23, 2007 Eagle Plains Resources Ltd. announced that it had reached agreement with Mountain Capital Inc. ("MCI") whereby MCI may earn a 60% interest in the Kalum Property located northwest of Terrace, British Columbia in the Skeena Mining Division of British Columbia. In order to exercise the option and acquire a 60% interest in the Property MCI is required to make cash payments totalling $500,000, issue 500,000 common shares and make exploration expenditures of $4,000,000 over a period of five years. The Property is subject to a 1% net smelter returns royalty in favour of a third party. Payments are due as follow:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$ 5,000			On signing of formal agreement (received)
20,000	50,000		On receipt of TSX approval (received)
25,000	150,000	$ 100,000	November 23, 2008
25,000	50,000	375,000	November 23, 2009
25,000	50,000	500,000	November 23, 2010
100,000	100,000	1,000,000	November 23, 2011
300,000	100,000	2,025,000	November 23, 2012
$ 500,000	500,000	$ 4,000,000	

On May 21, 2008, MCI received TSX approval and the Company received the cash payment of $20,000 and 50,000 shares of MCI, recorded at $5,000, as per the option agreement.

e) **Karin Lake Project:** On February 15th, 2007 completed an option agreement whereby Blue Sky Uranium Corp ("Blue Sky") can earn a 60% interest in Eagle Plains' 100% owned uranium project located in north-central Saskatchewan. Under terms of the agreement, Blue Sky will incur $2,500,000 in exploration expenditures by December 31st, 2011, issue 700,000 common shares to Eagle Plains and reimburse Eagle Plains all acquisition costs. Blue Sky has agreed to issue Eagle Plains 150,000 shares and complete $100,000 in exploration expenditures during the first year. Payments are due from Blue Sky as follows:

Cash Payments	Share Payments	Exploration Expenditures	Due Date
$107,795	50,000		Within 5 days of the Approval date (received)
	100,000	$ 100,000	December 31, 2007 (received)
	100,000	150,000	December 31, 2008
	200,000	250,000	December 31, 2009
	100,000	1,000,000	December 31, 2010
	150,000	1,000,000	December 31, 2011
$107,795	700,000	$2,500,000	

In January 2008, the Company received 100,000 shares of Blue Sky Uranium Corp., recorded at $40,000, for the December 31, 2007 option payment as required by the Karin Lake option agreement. All of the commitments to December 31, 2007 have been met.

On February 8, 2008, the option agreement was amended (in conjunction with the Eagle Lake option agreement) whereby the parties agreed to a drilling budget for 2008 in the amount $477,430 of which each party will pay 50%. In consideration, Blue Sky has issued 500,000

5. Mineral Properties - continued

common shares of Blue Sky which were recorded at a value of $205,000. In addition, it was agreed that expenditures incurred in any one year period may, at the option of Blue Sky, either be carried over to the next year, or may be credited as expenditures on the Eagle Lake property.

f) **Kulyk Lake Project:** On April 10, 2007, the Company completed an option agreement with Wellstar Energy Corporation (Wellstar) whereby Wellstar may earn a 60-per-cent interest in Eagle Plains' 100-per-cent-owned Kulyk Lake and Jenny Lake uranium properties. Under terms of the agreement, Wellstar has reimbursed EPL $77,500 in acquisition costs, committed to $5,000,000 in exploration expenditures and issue 1,000,000 common shares to EPL by December 31st, 2011.

Share Payments	Exploration Expenditures	Due Date
200,000		Within 5 days of the Approval date (received)
200,000	100,000	December 31, 2007 (received)
200,000	150,000	December 31, 2008
200,000	750,000	December 31, 2009
200,000	1,500,000	December 31, 2010
-	2,500,000	December 31, 2011
1,000,000	$5,000,000	

In February 2008, the Company received 200,000 shares of Wellstar Energy Corp, recorded at $16,000, for the December 31, 2007 option payment as required by the Kulyk Lake option agreement.

On May 23, 2008, the Company announced that Wellstar Energy Corporation has defaulted on the performance requirements of the option agreement between Wellstar and Eagle Plains on the Kulyk and Jenny Lake uranium project in north central Saskatchewan. Eagle Plains has formally notified Wellstar that the option agreement on the 100% Eagle Plains owned property is terminated.

g) **McQuesten Project:** On October 10, 2007 the Company announced that it had executed a formal option/purchase agreement with Alexco Resource Corp whereby Eagle Plains has granted Alexco an option to purchase Eagle Plains' 30% interest in the McQuesten Joint Venture (currently held 70/30% by Alexco and Eagle Plains). The property is located within the Keno Hill Mining District. Eagle Plains has had an interest in the property since 1995, when it optioned a 100% interest from B. Kreft. In 1997, a 70% interest was optioned to Viceroy Exploration, who in turned transferred its interest to NovaGold Resources, who in turn transferred it to SpectrumGold Resources. In 2006, the 70% interest was again transferred to Alexco. On September 28, 2007 the Company received 140,000 shares of Alexco which were recorded at $623,000. Further share issuances from Alexco will occur on the anniversary of the closing date.

h) **Titan Project:** The Company executed an option agreement with XO Gold Resources Inc. whereby XO may earn a 60% interest in the copper-gold-molybdenum project by incurring $3,000,000 in exploration expenditures, issuing 500,000 common shares of XO to Eagle Plains and making cash payments of $150,000 by December 31, 2010. On January 31, 2008, the option agreement was amended whereby the Company agreed to accept 125,000 shares of XO in lieu of the $25,000 cash payment due on January 1, 2008.

5. Mineral Properties - continued

Share Payments	Cash Payments	Exploration Expenditures	Due Date
	$ 10,000		On execution of Letter of Intent (received)
50,000	-		On execution of Agreement and TSX approval
125,000	-		Amendment to option agreement (received)
75,000	-	$ 100,000	December 31, 2007 (received)
125,000	35,000	300,000	December 31, 2008
125,000	35,000	800,000	December 31, 2009
125,000	45,000	1,800,000	December 31, 2010
575,000	$ 125,000	$ 3,000,000	

The Company received 200,000 shares of XO, recorded at $40,000, for the December 31, 2007 option payments as required by the option agreement. The exploration commitment for December 31, 2007 has been met.

Option Agreements - Eagle Plains earn in

i) **Elsiar Project:** On February 12, 2003, the Company entered into an option agreement to earn a 100% interest, subject to a 1% net smelter return royalty, in the Elsiar property.

Pursuant to this option agreement, the Company made the required cash payment of $5,000 and issued 300,000 common shares to the property owner to fulfill the option committments. On February 19, 2008, the Company formally exercised its option and acquired a 100% undivided right, title and interest in the property subject to the 1% NSR payable to B Kreft.

j) **Sphinx Project:** On February 15, 2005, the Company entered into an option agreement whereby the Company could purchase a 100% interest, subject to a 2.5% net smelter return royalty (which may be reduced at any time to 1% upon payment to the vendor of $1,500,000), in the Sphinx property.

Pursuant to this option agreement, the Company made the required cash payment of $20,000, issued 175,000 common shares to the property owners and completed expenditures of $1,000,000 to fulfill the option commitments. As a result, the Company has acquired a 100% undivided right, title and interest in the property subject to the 2.5% NSR payable to G and B Johnstone.

k) **Titan Project:** On October 25, 2002, the Company entered into an option agreement to earn a 100% interest in the property, subject to a 1.5% net smelter return royalty, (which may be reduced at any time to 1% upon payment to the vendor of $1,000,000.)

Pursuant to this option agreement, the Company made the required cash payments of $72,000 and completed $150,000 in exploration expenditures to fulfill the option commitments. The Company now owns this property 100% subject only to the 1.5% NSR payable to D. Oullette.

6. Equity Instruments

a) Authorized
Unlimited number of common shares without nominal or par value.

Unlimited number of first and second preference shares without nominal or par value, with the rights, privileges and conditions thereof determined by the directors of the Company at the time of issuance.

b) Issued and outstanding

	2008		Year Ended 2007	
	Number of Shares		Number of Shares	
Common Shares				
Balance, beginning of period	**60,228,673**	**$ 19,362,103**	53,189,873	$ 14,803,446
Issued flow through shares for cash	**-**	**-**	5,048,300	3,533,810
Issued for cash via private placement	**3,076,925**	**2,000,001**	1,393,000	1,615,800
Issued in exchange for mineral claims	**-**	**-**	150,000	90,000
Issued for cash on exercise of options	**-**	**-**	166,000	20,883
Black Scholes value of warrants issued	**-**	**-**	-	(617,852)
Black Scholes value of options exercised	**-**	**-**	-	20,207
Share issue costs, net of tax effect of $80,578 (2007)	**-**	**(11,025)**	-	(156,414)
Balance, end of period	**63,305,598**	**21,351,079**	59,947,173	19,309,880
Warrants				
Balance, beginning of period	**10,667,825**	**1,159,952**	4,457,294	585,500
Issued in private placement	**-**	**-**	6,441,300	617,852
Black Scholes value of warrants expired	**(5,426,525)**	**(651,400)**	-	-
Balance, end of period	**5,241,300**	**508,552**	10,898,594	1,203,352

The Company valued the warrants issued using the Black-Scholes model with the following assumptions:

Expected volatility	57%
Expected risk free rate	4.01%
Expected term	1.5 – 2 yrs

c) Directors and management share options
The Company has a stock option plan for employees, directors, officers and consultants. Stock options can be issued up to a maximum number of common shares equal to 10% of the issued and outstanding common shares of the Company. The exercise price and vesting period of options granted is not less than the market price of the common shares traded less the available discount under TSX Venture Exchange Inc. policies, and is determined by the Board of Directors. Options granted can have a term of up to 5 years.

6. Equity Instruments - continued

As at **June 30, 2008**, the Company has the following stock options outstanding:

	Number of Options [1]	Option Price per Share Range	Weighted Average Exercise Price
Options outstanding, beginning of period	4,663,000	$0.50 - $1.40	$0.68
Options granted	1,485,000	$0.50	$0.50
Options expired	(35,000)	($1.00)	($1.00)
Options outstanding, end of period	**6,113,000**	$0.50 -$01.40	$0.63

[1] 3,563,000 options are subject to the Plan of Arrangement

On June 9, 2006, the shareholders approved a plan of arrangement to reorganize the Company's mineral property assets in an effort to maximize shareholder value. Per the Plan of Arrangement, all option holders of record in Eagle Plains are to receive, in addition to an Eagle Plains share, one share of the Copper Canyon Resources Ltd. when the option is exercised. Proceeds from the exercise of options will be split between Eagle Plains 40.65% and Copper Canyon 59.35%.

As at June 30, 2007 the Company had the following stock options outstanding:

	Number of Options [2]	Option Price per Share Range	Weighted Average Exercise Price
Options outstanding, beginning of period	4,579,500	$0.10 - $1.40	$0.63
Options granted	275,000	$0.70 - $1.00	$0.92
Options exercised	(5,000)	($1.40)	($1.40)
Options outstanding, end of period	4,849,500	$0.10 - $1.40	$0.65

[2] 3,874,500 options are subject to the Plan of Arrangement

The following table summarizes information about the stock options outstanding at **June 30, 008:**

Options outstanding	**Option price**	**Weighted Average Exercise Price**	**Weighted Average Remaining Contractual Life**	**Number of Options Currently Exercisable**	**Weighted Average Exercise Price of Options Currently Exercisable**
10,000	**$0.50**	**$0.50**	**0.75 years**	**10,000**	**$0.50**
525,000	**$0.50**	**$0.50**	**1.00 years**	**525,000**	**$0.50**
650,000	**$0.50**	**$0.50**	**1.25 years**	**630,000**	**$0.50**
20,000	**$0.65**	**$0.65**	**1.50 years**	**10,000**	**$0.65**
793,000	**$0.65**	**$0.65**	**1.75 years**	**773,000**	**$0.65**
625,000	**$0.75**	**$0.75**	**2.00 years**	**625,000**	**$0.75**
845,000	**$0.70**	**$0.70**	**2.50 years**	**735,000**	**$0.70**
95,000	**$1.40**	**$1.40**	**3.00 years**	**55,000**	**$1.40**
600,000	**$0.75**	**$0.75**	**3.50 years**	**500,000**	**$0.75**
175,000	**$0.70**	**$0.70**	**3.75 years**	**175,000**	**$0.70**
165,000	**$1.00**	**$1.00**	**3.75 years**	**165,000**	**$1.00**
125,000	**$0.70**	**$0.70**	**4.50 years**	**25,000**	**$0.70**
1,485,000	**$0.50**	**$0.50**	**5.00 years**	**1,072,500**	**$0.50**
6,113,000		**$0.63**		**5,300,500**	**$0.64**

6. Equity Instruments - continued

The following table summarized information for the stock options outstanding at June 30, 2007:

Options outstanding	Option price	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Number of Options Currently Exercisable	Weighted Average Exercise Price of Options Currently Exercisable
30,000	$0.10	$0.10	0.25 years	30,000	$0.10
281,500	$0.25	$0.25	0.75 years	281,500	$0.25
10,000	$0.50	$0.50	1.75 years	10,000	$0.50
525,000	$0.50	$0.50	2.00 years	525,000	$0.50
650,000	$0.50	$0.50	2.25 years	610,000	$0.50
20,000	$0.65	$0.65	2.50 years	-	$0.65
793,000	$0.65	$0.65	2.75 years	753,000	$0.65
625,000	$0.75	$0.75	3.00 years	625,000	$0.75
845,000	$0.70	$0.70	3.50 years	680,000	$0.70
95,000	$1.40	$1.40	4.00 years	35,000	$1.40
600,000	$0.75	$0.75	4.50 years	410,000	$0.75
175,000	$0.70	$0.70	4.75 years	100,000	$0.70
200,000	$1.00	$1.00	4.75 years	100,000	$1.00
4,849,500		$0.65		4,159,500	$0.63

d) Compensation expense for share options

Compensation expense has been determined based on the estimated fair value of the options at the grant dates and amortized over the vesting period.

For options issued in 2008, the fair value of stock options was estimated using the Black-Scholes option-pricing model with the following assumptions: expected volatility 53 - 62% (2007 – 81%); risk-free interest rate 3.75 - 4.63% (2007 – 3.44 - 3.99%); and weighted average life of 5 years (2007 - 5 years).

As at June 30, 2008, $220,100 (2007 – $147,500) has been recorded as stock based compensation related to the options issued to employees and consultants with the corresponding amount charged to stock option expense.

e) Warrants outstanding

At **June 30, 2008,** the Company has the following share purchase warrants outstanding:

Total issued and outstanding	Expiry	Number	Price
Balance, beginning of period	June 2008,June & July 2009	10,667,825	$1.00 - $1.75
Expired/Cancelled	June 2008 & July 2009	(5,426,525)	($1.00 -$1.75)
Balance, end of period	**June 2009**	**5,241,300**	**$1.00**

As at June 30, 2007, the Company had the following share purchase warrants outstanding:

Total Issued and outstanding	Expiry	Number	Price
Balance, beginning and end of period	March & June 2008	4,457,294	$0.80-$1.00

f) Contributed surplus

	2008 Number of options		2007 Number of options	
Balance, beginning of period	**4,671,000**	**$ 1,325,101**	4,579,500	$ 1,375,382
Granted	**1,485,000**	**214,800**	275,000	111,400
Exercised	**-**	**-**	(5,000)	(4,775)
Expired	**(35,000)**	**-**	-	-
Black Scholes re Warrants Expired/Cancelled	**-**	**651,400**	-	-
Balance, end of period	**6,121,000**	**$ 2,191,301**	4,849,500	$ 1,482,007

g) Shareholder rights protection plan
The shareholders have approved a plan which the directors intend to implement at their discretion to provide adequate time for the shareholders and the directors to seek alternatives to, and to assess the merits of, bids for the shares of the Company. This plan attaches special rights to the issued shares of the Company. These special rights are void to a bidder who seeks to acquire more than 20 % of the voting shares of the Company.

7. Per Share Amounts

The calculation of income (loss) per share have been calculated based on the weighted average number of shares outstanding during the period ended June 30, 2008 of 61,391,067 shares (2007 – 53,322,929).

	Number of Shares	
	2008	2007
Weighted average number of common shares outstanding	**61,391,067**	53,322,929
Effect of dilutive securities:		
Stock Options	**4,594,487**	611,583
Warrants	**-**	10,989
Diluted weighted average number of common shares outstanding	**65,985,554**	53,945,511

The effect of dilutive securities with respect to stock options and warrants is that 5,853,000 are assumed exercised (2007 – 5,085,269) and 1,258,513 shares are assumed purchased (2007 – 3,900,038).

Excluded from the computation of diluted (loss) earnings per share were:

- 5,241,300 (2007 – 4,226,525) warrants with an average exercise price greater than the average market price of the Company's common shares.
- 295,000 (2007 – 100,000) options with an average exercise price greater than the average market price of the Company's common shares.

8. Related Party Transactions

Except as noted elsewhere in these consolidated financial statements, the Company was involved in the following related party transactions during the quarter:

(a) The Company is related to Apex Diamond Drilling Ltd. through ownership of 10% of the shares of Apex Diamond Drilling Ltd. At June 30, 2008 Eagle Plains' interest in Apex is as follows:

	Jun 30 2008	Jun 30 2007
Shareholder loan, interest free, no specific terms of repayment	**$ 20,000**	$ 100,000
Promissory note, 6% interest, no specific terms of repayment	**-**	200,000
Shares in Apex	**20**	100
	20,020	300,100
Accounts payable	**(90,866)**	(230,883)
Accounts receivable	**1,305**	1,641
Dividend receivable	**100,000**	-
Share of profit	**-**	54,360
	$ 30,459	$ 125,218

During the quarter the Company had the following transactions with the related company:

	2008	2007
Drilling services provided by Apex	**$ 200,833**	$ 447,092
Payments received for 2007 dividends	**50,000**	-
Invoiced Apex for supplies purchased	**16**	1,641

(b) The Company is related to Copper Canyon Resources Ltd. through common directors. During the quarter the Company had the following transactions with the related company:

	2008	2007
Management fees received	**$ 15,000**	$ 15,000
Payment to CPY for EPL options exercised	**(41,767)**	(28,711)
Invoiced CPY for services provided by EPL	**44,016**	56,530

(c) Included in administrative expenses is $15,150 (2007 - $11,025) paid for accounting services and related expenses to a director and officer of the Company.

(d) Legal fees of $29,467 (2007 - $12,942) were paid to a law firm of which one of the directors is a partner.

(e) 600,000 (2007 – nil) options were granted to directors of the Company, resulting in stock compensation expense to the Company of $193,800 (2007 - nil).

Except as disclosed, all related party transactions in the normal course of business have been measured at the agreed upon exchange amounts, which is the amount of consideration established and agreed to by the related parties. The exchange amounts approximate fair values.

9. Commitments and Contingent Liabilities

The Company is committed to incur exploration expenditures of $3,533,810 in 2008 to meet the renouncement requirements from the issuance of flow-through shares in December 2007, of which $1,500,610 must be expended in British Columbia. At June 30, 2008, the Company has made expenditures of $1,491,583, of which $578,234 has been spent in British Columbia.

The Company has agreed to indemnify directors and officers under the bylaws of the Company to the extent permitted by law. The nature of the indemnifications prevent the Company from making a reasonable estimate of the maximum potential amount it could be required to pay to beneficiary of such indemnification agreement. The Company has purchased various insurance policies to reduce the risks association with such indemnification.

Additionally, in the ordinary course of business, other indemnifications may have also been provided pursuant to provisions of purchase and sale contracts, service agreements, joint venture agreements, operating agreements and leasing agreements. In these agreements, the Company has indemnified counterparties if certain events occur. These indemnification provisions vary on an agreement by agreement basis. In some cases, there are no pre-determined amounts or limits included in the indemnification provisions and the occurrence of contingent events that will trigger payment under them is difficult to predict. Therefore, the maximum potential future amount that the Company could be required to pay cannot be estimated.

10. Financial Instruments

As disclosed in Note 2 (h), the Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to concentration risk and currency risk. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

a) Concentration risk
At June 30, 2008 and 2007, substantially all of the Company's cash was held at two recognized Canadian National financial institutions. As a result, the Company was exposed to all of the risks associated with those institutions.

At June 30, 2008, 42% (2007 – 27%) of the Company's accounts receivable was from one company. As a result, the Company was exposed to all the risks associated with that company.

b) Currency risk
Currency risk is the risk to the Company's operations that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

11. Statement of Cash Flow

a) Pursuant to certain mineral property option agreements, the Company received 150,000 (2007 – 360,000) shares with an attributed value of $18,000 (2007 - $54,000).

11. Statement of Cash Flow - continued

b) At June 30, 2008, the Company held cashable guaranteed investment certificates (GIC's) bearing interest rates from 2.10% to 3.03% (2007 – 2.40% to 4.15%) with maturity terms of July 2, 2008 to August 1, 2008 (2007 – July 2, 2007 to July 20, 2007). All of these GIC's have maturity dates of less than 90 days and have been treated as cash equivalents.

c) At June 30, 2008, the Company held cashable guaranteed investment certificates (GIC's) bearing interest rates from 2.45% to 3.50% (2007 – nil) with maturity terms of July 18, 2008 to May 20, 2009 (2007 – nil). These GIC's have maturity dates greater than 90 days and have been treated as investments.

12. Subsequent Events

On July 14, 2008, the company received 100,000 shares from Blue Sky Uranium Inc. per the Karin Lake property option agreement.

13. Income Taxes

As of December 31, 2007, subject to confirmation by income tax authorities, the Company has approximately the following available tax pools:

	2007	2006
Undepreciated capital cost	$ 577,097	$ 298,594
Cumulative eligible capital	13,490	14,505
Non-capital losses carried forward for tax purposes available from time to time until 2010	1,983	1,292
Cumulative Canadian exploration expenses ("CEE")	4,286,894	2,440,515
Undeducted share issue costs carried forward	481,929	470,602
	$ 5,361,393	$3,225,508

As of December 31, 2007, these pools are deductible from future income at rates prescribed by the Canadian Income Tax Act.

The components of the Company's future income tax liability are a result of the origination and reversal of temporary differences and are comprised of the following:

Nature of temporary differences	2007	2006
Property and equipment	$ (1,830,036)	$ (1,839,751)
Investments	16,867	-
Unused tax losses carry forward	674	36,839
Share issue costs	163,855	160,004
Future income tax	(1,648,640)	(1,642,908)
Valuation allowance	-	(36,839)
Future income tax liability	$ (1,648,640)	$ (1,679,747)

	Mar 31 2008	Acquisition and Exploration	Grants,Option Payments & Mineral Tax Credits	**Jun 30 2008**
British Columbia	5,548,265	422,548	(58,000)	**5,912,813**
NW Territories	4,006,031	454,680	-	**4,460,711**
Yukon	410,466	15,093	-	**425,559**
Saskatchewan	-	102,586	-	**102,586**
	9,964,762	994,907	(58,000)	**10,901,669**

	Mar 31 2007	Acquisition and Exploration	Grants,Option Payments & Mineral Tax Credits	Jun 30 2007
British Columbia	3,140,262	626,595	-	3,766,857
NW Territories	1,353,495	732,594	-	2,086,089
Yukon	427,992	37,070	(54,000)	411,062
Saskatchewan	210,728	217,000	(435,446)	(7,718)
	5,132,477	1,613,259	(489,446)	6,256,290

	2008 Claims	**Hectares**	2007 Claims	Hectares
British Columbia	**392**	**120,492**	570	121,424
Northwest Territories	**21**	**14,610**	63	240,857
Yukon	**1097**	**22,927**	681	12,882
Saskatchewan	**26**	**110,011**	7	21,805
		268,040		396,968