Pacific Ridge Exploration Ltd.

Interim Financial Statements
(An Exploration Stage Company)

March 31, 2009

(Unaudited)

Notice of No Auditor 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.

Pacific Ridge Exploration Ltd.
(An Exploration Stage Company)
Balance Sheets
(Expressed in Canadian dollars)

		(Unaudited)	(Audited)
		March 31, 2009	December 31, 2008
Assets			(Restated - Note 2)
Current assets			
Cash and cash equivalents		$ 199,784	$ 353,725
Short-term investment	Note 3	800,000	800,000
Accounts receivable and other		71,965	65,978
		1,071,749	1,219,703
Property, plant and equipment	Note 4	13,869	14,994
Resource assets	Note 5	1,144,142	1,123,815
Reclamation bonds		19,058	19,058
		$ 2,248,818	$ 2,377,570
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		$ 128,821	$ 113,575
Due to related parties	Note 8	3,528	3,707
		132,349	117,282
Shareholders' Equity			
Capital stock	Note 6	33,233,222	33,346,072
Authorized unlimited common shares without par value			
Issued 83,990,939 (December 31, 2008 - 83,990,939) common shares outstanding			
Contributed surplus		2,236,153	2,223,393
Deficit		(33,352,906)	(33,309,177)
		2,116,469	2,260,288
		$ 2,248,818	$ 2,377,570

Nature of operations (Note 1)
Commitments (Note 9)

Approved on behalf of the
Board of Directors:

"John S. Brock" (signed) — John S. Brock

"Douglas Proctor"(signed) — Douglas Proctor

The accompanying notes are an integral part of the financial statements

Pacific Ridge Exploration Ltd.
(An Exploration Stage Company)
Statements of Loss, Comprehensive Loss and Deficit
(Expressed in Canadian dollars)

		Three months ended March 31, 2009	2008
			(Restated - Note 2)
Exploration expenditures	Note 7	$ 33,952	$ 128,762
Administration expenses			
Consulting		995	7,450
Insurance		14,548	20,385
Legal and audit		11,203	29,827
Management and administrative services		34,850	18,744
Office operations and facilities		30,930	37,240
Shareholder communications and investor relations		14,608	1,087
Transfer agent and regulatory fees		7,624	7,377
Operating expenses		148,710	250,872
Other expenses (income)			
Amortization		1,125	1,607
Interest		(6,016)	(9,718)
Stock-based compensation		12,760	59,238
		7,869	51,127
Loss before income taxes		(156,579)	(301,999)
Future income tax recovery	Note 12	112,850	783,370
Loss and comprehensive loss for the period		(43,729)	481,371
Deficit - beginning of period		(33,309,177)	(32,716,160)
Deficit - end of period		$ (33,352,906)	$ (32,234,789)
Basic and diluted loss per common share		$ (0.00)	$ 0.01
Weighted average number of common shares		83,990,939	77,740,939

The accompanying notes are an integral part of the financial statements

Pacific Ridge Exploration Ltd.
(An Exploration Stage Company)
Statements of Cash Flows
(Expressed in Canadian dollars)

	Three months ended March 31, 2009	2008
Cash flows used in operating activities		
(Loss) income for the period	$ (43,729)	$ 481,371
Items not affecting cash		
Amortization	1,125	1,607
Future income tax recovery	(112,850)	(783,370)
Stock-based compensation	12,760	59,238
	(142,694)	(241,154)
Changes in non-cash working capital items	9,080	(151,588)
	(133,614)	(392,742)
Cash flows used in investing activities		
Acquisition of mineral property	(20,327)	-
	(20,327)	-
Cash flows from financing activities		
Issue of capital stock, net of issue costs	-	-
	-	-
(Decrease) in cash and cash equivalents	(153,941)	(392,742)
Cash and cash equivalents - beginning of the period	353,725	1,603,543
Cash and cash equivalents - end of the period	$ 199,784	$ 1,210,801
Supplemental cash flow information		
Interest received	$ -	$ 9,640
Income tax paid	$ -	$ -

The accompanying notes are an integral part of the financial statements

Pacific Ridge Exploration Ltd.
(An Exploration Stage Company)
Statements of Shareholders' Equity
(Expressed in Canadian dollars)

	Common Shares		Contributed	Deficit	Total Shareholders'
	Shares	Amount	Surplus		Equity
				(Restated - Note 2)	(Restated - Note 2)
Balance at December 31, 2007	77,740,939	$ 33,136,019	$ 2,112,830	$ (32,716,160)	$ 2,532,689
Shares issued pursuant to flow-through arrangements, net of issue costs	1,850,000	364,423			364,423
Shares issued pursuant to private placement with Aurora Energy Resources Inc.	2,000,000	340,000			340,000
Shares issued for mineral property	2,400,000	289,000			289,000
Future income taxes		(783,370)			(783,370)
Stock-based compensation			110,563		110,563
Net loss for the year				(593,017)	(593,017)
Balance at December 31, 2008	83,990,939	33,346,072	2,223,393	(33,309,177)	2,260,288
Future income taxes		(112,850)	-		(112,850)
Stock-based compensation			12,760		12,760
Net loss for the period				(43,729)	(43,729)
Balance at March 31, 2009	83,990,939	$ 33,233,222	$ 2,236,153	$ (33,352,906)	$ 2,116,469

The accompanying notes are an integral part of the financial statements

1. NATURE OF OPERATIONS

Pacific Ridge Exploration Ltd. (the "Company" or "Pacific Ridge") is in the business of acquiring and exploring mineral properties. All of the Company's mineral property interests are currently located in Canada.

The Company has no source of revenue, and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for resource assets is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary capital to finance the operations and expected growth, and upon proceeds from the joint venture partners or disposition of its properties.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that he Company will realize its assets and discharge its liabilities in the normal course of business. Management has carried out an assessment of the going concern assumption has concluded that as at March 31, 2009, the Company has sufficient cash and cash equivalents and short-term investment to pay its ongoing administrative expenses, maintain its mineral property interest and to meet its liabilities for the ensuing year.

2. SIGNIFICANT ACCOUNTING POLICY CHANGES

Accounting Policy Change

These unaudited financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and are consistent with the policies outlined in the Company's audited financial statements for the year ended December 31, 2008 except the Company has made and adopted the following changes effective January 1, 2009.

During the three months ended March 31, 2009, the Company retrospectively changed its accounting policy for exploration expenditures to more appropriately align itself with policies applied by other companies in the mining industry. Prior to the year beginning January 1, 2009, the Company capitalized all such costs to mineral resource and only wrote down capitalized costs when the property was abandoned or if the capitalized costs were not considered to be economically recoverable.

Exploration expenditures are now charged to net income as they are incurred until the mineral property reaches the development stage. Significant costs related to property acquisition are capitalized until the viability of the mineral interest is determined. When it has been established that a mineral deposit is commercially mineable and an economic analysis has been completed, the costs subsequently incurred to develop a mine on the property prior to the start of mining operations are capitalized. The impact of this change on the previously reported December 31, 2008 financial statements is as follows:

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICY CHANGES (Continued)

	As Previously Reported $	Adjustment $	Restated $
Resource assets at December 31, 2008	3,825,199	(2,701,384)	1,123,815
Loss for the year ended December 31, 2008	(3,644,292)	3,051,275	(593,017)
Loss per share for the year ended December 31, 2008	(0.05)	0.04	(0.01)
Deficit at December 31, 2008	(30,477,547)	(2,831,630)	(33,309,177)
Resource assets at December 31, 2007	6,710,846	(5,882,905)	827,941
Deficit at December 31, 2007	(26,833,255)	(5,882,905)	(32,716,160)

Goodwill and Intangible Assets

The CICA issued Handbook Section 3064, "Goodwill and Intangible Assets", which establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition, and for intangible assets, subject to certain exceptions. Section 1000, "Financial Statements Concepts" was also amended to provide consistency with this new standard. On January 1, 2009, the Company adopted this change, with no impact on its consolidated financial statements.

Recent Accounting Pronouncements

In February 2008, the CICA Accounting Standards Board ("AcSB") confirmed that Canadian GAAP for publicly accountable enterprises will be converged with International Financial Reporting Standards ("IFRS") effective for fiscal years beginning on or after January 1, 2011. The Company will therefore be required to report using IFRS commencing with its unaudited interim consolidated financial statements for the three months ended March 31, 2011, which must include the interim results for the prior period ended March 31, 2010 prepared on the same basis. IFRS uses a conceptual framework similar to Canadian GAAP, but there are some significant differences on recognition, measurement and disclosures. While the Company has begun assessing the adoption of IFRS, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

3. SHORT-TERM INVESTMENT

The Company invested $800,000 (December 31, 2008 - $800,000) in a one-year GIC at an interest rate of 3.05% maturing November 23, 2009.

(Expressed in Canadian dollars)

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are carried at cost less accumulated amortization with details listed below:

	March 31, 2009			December 31, 2008		
	Cost	Accumulated amortization	Net book value	Cost	Accumulated amortization	Net book value
Field equipment	$ 36,000	$ 22,131	$ 13,869	$ 36,000	$ 21,006	$ 14,994

5. RESOURCE ASSETS

The Company has interests in mineral properties in British Columbia, Nunavut, and Yukon Canada. A summary of capitalized acquisition costs for the period ends was as follows:

Mineral Properties	Baker Uranium	Fyre Lake	Tumbler Ridge	Wapiti	Total
Balance, December 31, 2008	$ 750,293	$ 335,498	$ 20,024	$ 18,000	$ 1,123,815
Addition during the period	-	-	20,327	-	20,327
Balance, March 31, 2009	$ 750,293	$ 335,498	$ 40,351	$ 18,000	$ 1,144,142

Mineral Properties	Baker Uranium		Tumbler Ridge	Wapiti	Total
Balance, December 31, 2007	$ 510,293	$ 317,648	$ -	$ -	$ 827,941
Addition during the year	240,000	17,850	20,024	18,000	295,874
Balance, December 31, 2008	$ 750,293	$ 335,498	$ 20,024	$ 18,000	$ 1,123,815

5. RESOURCES ASSETS (Continued)

a) Baker Basin Uranium Project

In 2007, the Company acquired a 60% interest in the Baker Basin Uranium Project from Kaminak Gold Corporation, who subsequently assigned its 40% interest to Kivalliq Energy Corp. (“Kivalliq”). During the year ended December 31, 2008, the Company acquired the remaining 40% interest from Kivalliq by issuing 2,000,000 shares for $240,000.

With a 100% ownership of the project, the Company entered into an option/joint venture agreement (“Agreement”) with Aurora Energy Resources Inc. (“Aurora”) on September 23, 2008. To earn 51% interest in the project, Aurora subscribed for a 2,000,000 share private placement at $0.17 per share, and will incur staged exploration expenditures totalling $15,000,000 up to December 31, 2011. The 2,000,000 shares were issued for total proceeds of $340,000 in October 2008.

Upon earning a 51% interest, Aurora may elect either to i) earn an additional 14% by funding 100% of on-going costs and commit to producing a preliminary feasibility study on or before December 31, 2013; or ii) enter into a joint venture with Pacific Ridge (51% Aurora, 49% Pacific Ridge). The Company may elect to contribute to the joint venture. Should the Company elect to not participate in the joint venture; its interest will be reduced to not less than 35%. Aurora may then contribute 100% of on-going costs until a preliminary feasibility study is produced.

When a preliminary feasibility study is produced, Kivalliq will have the right to back-in to a 20% joint venture interest by reimbursing 40% of the exploration costs incurred including the cost of production of the preliminary feasibility study. The reimbursement will be distributed on a pro-rata basis to the Company and Aurora after the Company has received the first $7,300,000. Should Kivalliq elect to back in but fail to contribute to the joint venture, its interest would be subject to dilution and if reduced to 5% or less, converted to a royalty. The Company’s joint venture interest would then range from a minimum of 15% to a maximum of 29%, depending on prior elections of Aurora and the Company. The Company and Aurora’s joint venture interests would also be subject to dilution for non-contribution, and if reduced to 5% or less, converted to a royalty.

b) Fyre Lake Massive Sulphide Project

The Company owns 100% interest in Fyre Lake property.

c) Tumbler Ridge Phosphate Project

In 2008, the Company acquired a 100% interest in 122 mineral claims through direct staking.

d) Wapiti Phosphate Project

In July 2008, the Company entered into an agreement with Lateegra Gold Corp., pursuant to which the Company has an option to acquire up to a 65% interest in 15 claims located in east-central British Columbia, known as the Wapiti property. To earn a 51% interest, the Company paid $5,000 and issued 200,000 shares and must undertake $1,000,000 in exploration expenditures over a three-year period. To earn an additional 14% interest, the Company may pay an additional $250,000 and issue an additional 1,000,000 shares and make a further $1,000,000 of exploration expenditures over a two-year period.

(Expressed in Canadian dollars)

6. CAPITAL STOCK

a) Common share: unlimited common shares without par value. As of March 31, 2009, 83,990,939 common shares were issued and outstanding (December 31, 2008: 83,990,939).

b) Stock Options

Stock option transactions and the number of stock options outstanding are summarized below:

	March 31, 2009			December 31, 2008		
	Number of Options		Weighted Average Exercise Price	Number of Options		Weighted Average Exercise Price
Outstanding, beginning of the period	5,650,000	$	0.20	4,470,000	$	0.21
Granted	-	$	-	1,500,000	$	0.17
Expired	(200,000)	$	0.26	(50,000)	$	0.26
Forfeited	(500,000)	$	0.21	(270,000)	$	0.25
Outstanding, end of the period	4,950,000	$	0.19	5,650,000	$	0.20

Stock options outstanding and exercisable at March 31, 2009 are as follows:

Awards Outstanding				Expiry Date	Awards Exercisable			
Quantity	Weighted Average Remaining Contractual Life		Weighted Average Exercise Price		Quantity	Weighted Average Remaining Contractual Life		Weighted Average Exercise Price
200,000	0.027	$	0.30	10-Apr-09	200,000	0.027	$	0.30
1,700,000	0.46	$	0.11	17-Sep-09	1,700,000	0.46	$	0.11
700,000	1.98	$	0.32	23-Mar-11	700,000	1.98	$	0.32
850,000	2.99	$	0.26	28-Mar-12	850,000	2.99	$	0.26
1,500,000	4.58	$	0.17	30-Oct-13	375,000	4.58	$	0.17
4,950,000	2.34	$	0.19		3,825,000	1.68	$	0.19

The Company applies the fair value method of accounting for stock options based on the Black-Scholes option-pricing model, using the following assumptions:

	March 31, 2009	March 31, 2008
Risk-free interest rate	3.81%	4.25%
Expected share price volatility	116.83%	98% to 132%
Expected option life in years	5	2-5 years
Expected dividend yield	Nil	Nil

c) Share Purchase Warrants

All share purchase warrants were expired by the year ended December 31, 2008.

(Expressed in Canadian dollars)

7. EXPLORATION EXPENDITURES

During the three months ended March 31, 2009, the Company spent $17,442 on Tumbler Ridge, $15,147 on Wapiti and $1,363 on general explorations. During the three months ended March 31, 2008, the Company spent $118,547 on Baker Basin and $10,215 on general explorations.

8. RELATED PARTY TRANSACTIONS

The Company had the following related party transactions during the period ended March 31, 2009:

a) $8,085 (2008 - $15,340) paid to the Vice President of Exploration for professional geological services. In connection with these services, $3,528 (2008 - $Nil) was due by the Company at March 31, 2009.

b) $Nil (2008 - $5,400) was paid to the President and CEO for administration and management service who became an employee of the Company effective January 1, 2009.

9. COMMITMENTS

The Company entered into a service agreement in 2008 with a private company for its office space, administrative, corporate and other services at a monthly fee of $8,000. The agreement can be cancelled at anytime upon one year notice. The current expiry date is June 30, 2012. The Company also has an operating lease for a copy machine expiring March 31, 2010.

The summary for the commitments are listed below:

	Operating Lease	Service Agreement	Total
Years ending December 31, 2009	$ 4,902	$ 72,000	$ 76,902
Years ending December 31, 2010	1,634	96,000	97,634
Years ending December 31, 2011		96,000	96,000
Years ending December 31, 2012		48,000	48,000
Total	$ 6,536	$ 312,000	$ 318,536

10. CAPITAL MANAGEMENT

The Company’s objective in managing its capital is to maintain the ability to continue as a going concern and to continue to explore on various properties for the benefits of its stakeholders.

The Company’s capital includes the components of shareholders’ equity. Capital requirements are driven by the Company’s exploration activities on its mineral property interests. To effectively manage the Company’s capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals. The Company monitors actual expenses to budget on all exploration projects and overheads to manage costs, commitments and exploration activities.

As the Company is in the exploration stage, its operations have been and will continue to be funded by the sale of equity to investors. Although the Company has been successful in raising funds in the past through issuing common shares, it is uncertain whether it will continue this financing due to difficult conditions.

11. FINANCIAL INSTRUMENTS

The Company has classified cash and cash equivalents, short-term investment as held-for-trading; accounts receivable and other as loans and receivables; accounts payable and accrued liabilities and due to related parties as other financial liabilities.

Fair Values

As at March 31, 2009, the recorded amounts for cash and cash equivalents and short-term investment are at fair value. Accounts receivables, accounts payable and accrued liabilities, and due to related parties approximate their fair values due to their short-term nature.

Currency Risk

The Company has no foreign currency denominated assets or liabilities except for occasional and immaterial US dollar invoices. Foreign currency risk is minimal.

Interest Rate Risk

The Company's cash held in bank accounts earn interest at variable interest rates and the short term investment is held in a GIC. Due to the short-term nature of these financial instruments, fluctuations in market rates do not have a material impact on the expected cash flows.

Credit Risk

The Company has its cash and short-term investment deposited with a large, federally insured, commercial bank which it believes to be creditworthy. Other credit risk is limited to trade receivables in the ordinary course of business, which consist primarily of GST receivable. The balance of trade receivables are not significant.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities and through the management of its capital structure. At March 31, 2009, the Company had cash, cash equivalents and short-term investment of $999,784 and requires no further funding to meet its financial commitments.

12. FUTURE INCOME TAX

Under the provisions of CICA EIC 146, in respect of flow-through shares, a future income tax liability must be recognized, and shareholders' equity reduced, on the date that the Company renounces the tax credits associated with flow-through expenditures, provided that there is reasonable assurance that the expenditures will be made. As the Company has unrecognized future tax assets and the taxable temporary differences relating to the flow-through shares are expected to reverse during the loss carry forward period, these tax assets can be applied against the future taxable temporary difference. The recognition of the benefits resulted in a future income tax recovery of $112,850 (2008 - $783,370).