Pacific Ridge Exploration Ltd.

Interim Financial Statements
(An Exploration Stage Company)

September 30, 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
(Unaudited and Expressed in Canadian Dollars)

			September 30, 2009		December 31, 2008
Assets					**(Restated - Note 2)**
Current assets					
Cash and cash equivalents		$	844,125	$	353,725
Short-term investment	Note 3		-		800,000
Accounts receivable and other			33,050		65,978
Prepaid			20,500		-
			897,675		1,219,703
Property, plant and equipment	Note 4		11,620		14,994
Resource assets	Note 5		1,374,077		1,161,560
Reclamation bonds			19,058		19,058
		$	2,302,430	$	2,415,315
Liabilities					
Current liabilities					
Accounts payable and accrued liabilities		$	225,190	$	113,579
Due to related parties	Note 7		6,027		3,707
			231,217		117,286
Shareholders' Equity					
Capital stock	Note 6(a)		33,566,986		33,346,072
Authorized unlimited common shares without par value					
Issued 22,547,576 (December 31, 2008 - 20,997,576) common shares outstanding					
Contributed surplus			2,301,912		2,223,393
Deficit			(33,797,685)		(33,271,436)
			2,071,213		2,298,029
		$	2,302,430	$	2,415,315

Nature of operations (Note 1)
Commitments (Note 8)
Subsequent Events (Note 12)

Approved on behalf of the
Board of Directors:

"John S. Brock" (signed)	*"Douglas Proctor"(signed)*
John S. Brock	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
(Unaudited and Expressed in Canadian Dollars)

		Three months ended September 30, 2009	Three months ended September 30, 2008	Nine months ended September 30, 2009	Nine months ended September 30, 2008
			(Restated-Notes 2&6)		(Restated-Notes 2&6)
Exploration expenditures		$ 236,099	$ 437,910	329,737	742,824
Administration expenses					
Consulting		1,920	1,050	2,975	12,280
Insurance		299	534	15,147	21,387
Legal and audit		7,762	56,458	31,901	113,122
Management and administrative services		5,247	21,718	76,820	62,883
Office operations and facilities		33,388	39,296	95,775	113,444
Shareholder communications and investor relations		27,141	31,386	49,784	41,403
Transfer agent and regulatory fees		15,108	17,820	31,903	38,829
		90,865	168,262	304,305	403,348
Operating expenses		(326,964)	(606,172)	(634,042)	(1,146,172)
Other (expenses) income					
Amortization		(1,125)	(1,607)	(3,374)	(4,820)
Interest income		4,736	4,786	16,836	30,166
Stock-based compensation	Note 6(b)	(2,896)	(16,005)	(18,519)	(91,249)
		715	(12,826)	(5,057)	(65,903)
Loss before income taxes		(326,249)	(618,998)	(639,099)	(1,212,075)
Future income tax recovery	Note 11	-	-	112,850	783,370
(Loss) income and comprehensive (loss) income for the period		$ (326,249)	$ (618,998)	$ (526,249)	$ (428,705)
Basic and diluted loss per common share		$ (0.02)	$ (0.03)	$ (0.02)	$ (0.02)
Weighted average number of common shares		21,172,667	20,070,425	21,172,667	19,649,605

The accompanying notes are an integral part of the financial statements

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

		Three Month ended September 30, 2009	2008	Nine months ended September 30, 2009	2008
Cash flows used in operating activities			(Restated - Note 2)		(Restated - Note 2)
(Loss) income for the period		$ (326,249)	$ (618,998)	$ (526,249)	$ (428,705)
Items not affecting cash					
Amortization		1,125	1,607	3,374	4,820
Future income tax recovery		-	-	(112,850)	(783,370)
Stock-based compensation		2,896	16,005	18,519	91,249
		(322,228)	(601,386)	(617,206)	(1,116,006)
Changes in non-cash working capital items		116,272	254,693	186,359	188,746
		(205,956)	(346,693)	(430,847)	(927,260)
Cash flows used in investing activities					
Acquisition of mineral property		(112,590)	(18,735)	(170,017)	(38,759)
Short-term investment	Note 3	800,000	-	800,000	-
		687,410	(18,735)	629,983	(38,759)
Cash flows from financing activities					
Issue of capital stock, net of issue costs		291,264	365,428	291,264	365,428
(Decrease) increase in cash and cash equivalents		772,718	-	490,400	(600,591)
Cash and cash equivalents - beginning of period		71,407	1,002,952	353,725	1,603,543
Cash and cash equivalents - end of period		$ 844,125	$ 1,002,952	$ 844,125	$ 1,002,952
Supplemental cash flow information					
Interest received		$ 3,844	$ 4,785	$ 3,844	$ 30,165
Income tax paid		$ -	$ -	$ -	$ -
Shares issued for property		$ 42,500	$ 253,000	$ 42,500	$ 253,000
Mineral property expenditures included in accounts payable		$ 19,740	$ -	$ 19,740	$ -

The accompanying notes are an integral part of the financial statements

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

	Common Shares			Contributed				Total Shareholders'
	Shares	Amount		Surplus		Deficit		Equity
	(Restated - Note 6(a))					(Restated - Note 2)		(Restated - Note 2)
Balance at December 31, 2007	19,435,076	$ 33,136,019	$	2,112,830	$	(32,678,415)	$	2,570,434
Shares issued pursuant to flow-through arrangements, net of issue costs	462,500	370,000						370,000
Shares issued pursuant to private placement with Aurora Energy Resources Inc.	500,000	340,000						340,000
Shares issued for mineral property	600,000	289,000						289,000
Share issue costs		(5,577)						(5,577)
Future income taxes		(783,370)						(783,370)
Stock-based compensation				110,563				110,563
Net loss for the year						(593,021)		(593,021)
Balance at December 31, 2008	20,997,576	33,346,072		2,223,393		(33,271,436)		2,298,029
Future income taxes		(112,850)		-				(112,850)
Shares issued pursuant to flow-through arrangements, net of issue costs	1,000,000	200,000						200,000
Shares issued pursuant to a private placement, net of issue costs	600,000	91,264						91,264
Commitment to issue shares - private placement				60,000				60,000
Shares issued for mineral property	250,000	42,500						42,500
Stock-based compensation				18,519				18,519
Net loss for the period						(526,249)		(526,249)
Balance at September 30, 2009	22,847,576	$ 33,566,986	$	2,301,912	$	(33,797,685)	$	2,071,213

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. The carrying value of the Company's resource assets does not reflect current or future value.

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. As of September 30, 2009, the Company had working capital of $666,458 ($1,102,417 - December 31, 2008). Management of the Company believes that it has sufficient funds to pay its ongoing administrative expenses, maintain its mineral property interest and to meet its liabilities as they fall due.

The Company's ability to continue its operations is dependent on its ability to secure additional financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Failure to continue as a going concern would require the restatement of assets and liabilities on a liquidation basis, which could differ materially from the going concern basis. These financial statements do not include the adjustments that would be necessary should the Company be unable to continue as a going concern.

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 nine months ended September 30, 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.

(Unaudited and Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICY CHANGES (Continued)

Accounting Policy Change (Continued)

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:

	As Previously Reported $	Adjustment $	Restated $
Resource assets at December 31, 2008	3,825,199	(2,663,639)	1,161,560
Loss for the year ended December 31, 2008	(3,644,292)	3,051,271	(593,021)
Loss per share for the year ended December 31, 2008	(0.05)	0.04	(0.01)
Deficit at December 31, 2008	(30,477,547)	(2,793,889)	(33,271,436)
Resource assets at December 31, 2007	6,710,846	(5,845,160)	865,686
Deficit at December 31, 2007	(26,833,255)	(5,845,160)	(32,678,415)

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 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.

In January 2009, the AcSB issued new Handbook sections: 1582, “Business Combinations”, 1601, “Consolidations”, and 1602, “Non-Controlling Interests”. These new standards will apply to fiscal years beginning on or after January 1, 2011. The Company has not yet determined the impact of the adoption of these standards on its financial statements.

(Unaudited and Expressed in Canadian Dollars)

3. SHORT-TERM INVESTMENT

The Company invested $800,000 (December 31, 2008 - $800,000) in a one-year guaranteed investment certificate (“GIC”) at an interest rate of 3.05% maturing November 23, 2009. As of September 30, 2009, $200,000 was withdrawn and the balance of $600,000 was classified as cash equivalents according to the Company’s accounting policy.

4. PROPERTY, PLANT AND EQUIPMENT

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

	September 30, 2009			December 31, 2008		
	Cost	Accumulated amortization	Net book value	Cost	Accumulated amortization	Net book value
Field equipment	$ 36,000	$ 24,380	$ 11,620	$ 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	Klondike Kate	Tumbler Ridge	Wapiti	Total
Balance, December 31, 2008	$ 750,293	$ 373,243	$ -	$ 20,024	$ 18,000	$ 1,161,560
Addition during the period	-	17,850	174,340	20,327	-	212,517
Balance, September 30, 2009	$ 750,293	$ 391,093	$ 174,340	$ 40,351	$ 18,000	$ 1,374,077

Klondike Kate Project	Balance September 30, 2009	Additions September 30, 2009	December 31, 2008
GoldCAP	9,800	9,800	-
Eureka	18,900	18,900	-
Moose	8,400	8,400	-
Polar/Stewart	117,500	117,500	-
Mariposa	19,740	19,740	-
Total	$ 174,340	$ 174,340	$ -

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 500,000 post consolidation shares for $240,000.

5. RESOURCES ASSETS (Continued)

a) Baker Basin Uranium Project (Continued)

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 500,000 post consolidation share private placement at $0.68 per share, and may incur staged exploration expenditures totalling $15,000,000 up to December 31, 2011. The 500,000 post consolidation 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) Klondike Kate Gold Project – Goldcap, Eureka, Moose Gold, Polar/Stewart, and Mariposa Properties

The Company has staked 212 mineral claims comprising Goldcap, Eureka, and Moose properties in June 2009.

In July 2009, the Company entered into an option agreement with Ryanwood Exploration Inc. ("Ryanwood") to acquire a 100% interest in 149 mineral claims located in Dawson City, Yukon, known as the Polar/Stewart property. Pursuant to the terms of the agreement, the Company is required to pay a total of $300,000 ($75,000 paid), issue a total of 1,250,000 (250,000 issued) common shares and has the option to undertake exploration expenditures totaling $1,500,000 over a five year period. In addition, the Company may, at any time, purchase one half of the net smelter return (2%) for $2,000,000. There is a $25,000 advance minimum royalty payable from 2014 onwards.

5. RESOURCES ASSETS (Continued)

c) Klondike Kate Gold Project – Goldcap, Eureka, Moose Gold, Polar/Stewart, and Mariposa Properties (Continued)

In September 2009, the Company entered into a binding Letter of Understanding for an option to acquire a 100% interest in 203 claims located in Dawson City, Yukon, known as the Mariposa property. The principal terms of the Letter of Understanding require the Company to pay a total of $120,000, issue a total of 4,000,000 common shares and incur a total of $600,000 exploration expenditures over five year period. In addition, the Company may, at any time after a production notice has been given, purchase one half of the net smelter return (2%) for $1,000,000.

d) Tumbler Ridge Phosphate Project

In 2008 and 2009, the Company acquired a 100% interest in 122 mineral claims through staking.

e) 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 50,000 post-consolidation 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 250,000 post consolidation shares and make a further $1,000,000 of exploration expenditures over a two-year period.

6. CAPITAL STOCK

a) Common Shares

In June 2009, the Company received shareholder and regulatory approval to consolidate its common shares on a one-new-for-four-old basis. Effective July 24, 2009, the Company's shares commenced trading on a consolidated basis under the symbol "PEX" with a new CUSIP number 694798208. All figures for shares and earning per share have been adjusted retrospectively.

On September 8, 2009, the Company closed its first tranche of the non-brokered private placement of Flow-Through Units and Non-Flow-Through Units announced on July 24, 2009 and subsequently amended on August 24, 2009. The Company received gross proceeds of $200,000 pursuant to the issuance of 1,000,000 Flow-Through Units and $120,000 pursuant to the issuance of 600,000 Non-Flow-Through Units at $0.20 per unit. Each unit was comprised of one common share and one –half of one transferable share purchase warrant which entitles the holder to purchase one common share at a price of $0.25 per share for one year.

The Company will use the gross proceeds from the sale of the Flow-Through Shares to explore its Klondike Kate project in Yukon, Canada. The Company will renounce the Canadian Exploration Expenses with an effective date of December 31, 2009.

(Unaudited and Expressed in Canadian Dollars)

6. CAPITAL STOCK (Continued)

a) Common Shares (Continued)

$8,100 finder's fees were paid for the first tranche of the private placement.

In connection with the private placement, the Company received $60,000 as a portion of a 2nd tranche which was closed subsequent to the quarter end. See Note 12 Subsequent Events.

b) Stock Options

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

	September 30, 2009			December 31, 2008		
	Number of Options		Weighted Average Exercise Price	Number of Options		Weighted Average Exercise Price
Outstanding, beginning of the period	1,412,500	$	0.80	1,117,500	$	0.84
Granted	-	$	-	375,000	$	0.68
Expired	(575,000)	$	0.56	(12,500)	$	1.04
Forfeited	(125,000)	$	0.84	(67,500)	$	1.00
Outstanding, end of the period	712,500	$	0.92	1,412,500	$	0.80

Stock options outstanding and exercisable at September 30, 2009 are as follows:

Awards Outstanding				Expiry Date	Awards Exercisable			
Quantity	Weighted Average Remaining Contractual		Weighted Average Exercise Price		Quantity	Weighted Average Remaining Contractual		Weighted Average Exercise Price
175,000	1.48	$	1.28	March 23, 2011	175,000	1.48	$	1.28
212,500	2.49	$	1.04	March 28, 2012	212,500	2.49	$	1.04
325,000	4.08	$	0.68	October 30, 2013	81,250	4.08	$	0.68
712,500	3.04	$	0.92		468,750	2.43	$	1.07

The Company applies the fair value method of accounting for stock options granted based on the Black-Scholes option-pricing model. No stock options were granted during the periods from January 1 to September 30, 2009 and 2008 respectively.

(Unaudited and Expressed in Canadian Dollars)

6. CAPITAL STOCK (Continued)

c) Share Purchase Warrants

As of September 30, 2009, 2,237,501 warrants were outstanding at an exercise price of $0.25 with expiry date of September 4, 2010 (800,000 warrants) and October 21, 2010 (1,437,501 warrants).

7. RELATED PARTY TRANSACTIONS

The Company had the following related party transactions during the period ended September 30, 2009:

a) $38,767 (2008 - $54,780) paid to the Vice President of Exploration for professional geological services. In connection with these services, $6,027 (2008 - $2,279) was due by the Company at September 30, 2009.

b) $42,200 (2008 - $32,300) paid to the President and CEO who became an employee of the Company effective January 1, 2009. for administration and management service

These transactions are in the normal course of operations.

8. 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. Mineral property option payments refer to the Company's Polar/Stewart and Mariposa properties. The Company also has an operating lease for a copy machine expiring March 31, 2010.

The commitments are summarized below:

	Operating Lease	Mineral Property - Cash (optional)	Service Agreement	Total
Years ending December 31, 2009	$ 272	$ 20,000	$ 24,000	$ 44,272
Years ending December 31, 2010	1,634	85,000	96,000	182,634
Years ending December 31, 2011		80,000	96,000	176,000
Years ending December 31, 2012		70,000	48,000	118,000
Years ending December 31, 2013		70,000		70,000
Years ending December 31, 2014		20,000		20,000
Total	$ 1,906	$ 345,000	$ 264,000	$ 610,906

9. 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 benefit 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.

10. FINANCIAL INSTRUMENTS

The Company has classified cash and cash equivalents 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 September 30, 2009, the recorded amounts for cash and cash equivalents are at fair value. Accounts receivable, 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 earns 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 cash equivalents 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.

11. 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).

12. SUBSEQUENT EVENTS

The following events occurred subsequent to September 30, 2009:

a) The Company closed the 2nd tranche of its non-brokered private placement by issuing 2,800,000 Flow-Through Shares and 75,000 common shares for a gross proceed of $575,000. 1,437,501 warrants attached to the 2nd tranche closure were issued at an exercise price of $0.25 for one year. $32,400 finder's fees were paid.

b) The Company paid a $20,000 mineral property option payment and issued 250,000 shares in relation to its Mariposa property acquisition located in Yukon, Canada.