Responsibility for Consolidated Interim Financial Statements

The accompanying unaudited consolidated interim financial statements for U3O8 Corp. (A Development Stage Company) have been prepared by management in accordance with Canadian generally accepted accounting principles consistently applied. The most significant of these accounting principles have been set out in the audited December 31, 2006 consolidated financial statements. Only changes in accounting information have been disclosed in these unaudited consolidated interim financial statements. These unaudited consolidated interim financial statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Corporation is responsible for both the integrity and objectivity of these unaudited consolidated interim financial statements, management is satisfied that these unaudited consolidated interim financial statements have been fairly presented.

The independent auditor of U3O8 Corp. has not performed a review of the unaudited consolidated interim financial statements for the three and six months ended June 30, 2007 and June 30, 2006.
## U3O8 CORP.
### CONSOLIDATED INTERIM BALANCE SHEETS
#### (UNAUDITED)
##### (A Development Stage Company)

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2007</th>
<th>December 31, 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>25,732,883</td>
<td>28,563,589</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>37,795</td>
<td>29,763</td>
</tr>
<tr>
<td>Prepayments and deposits</td>
<td>124,194</td>
<td>91,130</td>
</tr>
<tr>
<td></td>
<td></td>
<td>25,894,872</td>
</tr>
<tr>
<td><strong>Property and equipment</strong> (Note 3)</td>
<td>1,566,169</td>
<td>295,485</td>
</tr>
<tr>
<td></td>
<td></td>
<td>27,461,041</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
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<td></td>
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<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>301,676</td>
<td>604,131</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SHAREHOLDERS’ EQUITY</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital (Note 6)</td>
<td>30,197,967</td>
<td>29,606,277</td>
</tr>
<tr>
<td>Warrants (Note 8)</td>
<td>711,512</td>
<td>908,952</td>
</tr>
<tr>
<td>Contributed surplus</td>
<td>1,701,941</td>
<td>595,595</td>
</tr>
<tr>
<td>Accumulated deficit</td>
<td>(5,452,055)</td>
<td>(2,734,988)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>27,159,365</td>
</tr>
<tr>
<td></td>
<td></td>
<td>27,461,041</td>
</tr>
</tbody>
</table>

See accompanying notes to unaudited consolidated interim financial statements

**Nature of operations and going concern** (Note 1)

**Commitments** (Note 10)
# U3O8 CORP.

## CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(UNAUDITED)

(A Development Stage Company)

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30, 2007</th>
<th>Three months ended June 30, 2006</th>
<th>Six months ended June 30, 2007</th>
<th>Six months ended June 30, 2006</th>
<th>Cumulative from inception to June 30, 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors’ stock based compensation</td>
<td>268,811</td>
<td>586,905</td>
<td>936,361</td>
<td>364,330</td>
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<tr>
<td>Management compensation</td>
<td>54,705</td>
<td>161,710</td>
<td>352,606</td>
<td>352,606</td>
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<tr>
<td>Business development</td>
<td>85,406</td>
<td>129,851</td>
<td>352,606</td>
<td>352,606</td>
<td></td>
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<tr>
<td>Investor relations</td>
<td>70,647</td>
<td>132,171</td>
<td>259,020</td>
<td>259,020</td>
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<tr>
<td>Professional fees</td>
<td>105,555</td>
<td>132,029</td>
<td>240,794</td>
<td>240,794</td>
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<tr>
<td>Reporting issuer costs</td>
<td>12,191</td>
<td>20,478</td>
<td>64,400</td>
<td>64,400</td>
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<tr>
<td>Administrative and general (Note 12)</td>
<td>32,030</td>
<td>59,083</td>
<td>109,490</td>
<td>109,490</td>
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<td>Capital tax - Canada (Ontario)</td>
<td>14,718</td>
<td>29,718</td>
<td>89,718</td>
<td>89,718</td>
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<tr>
<td>Directors’ compensation</td>
<td>12,828</td>
<td>25,772</td>
<td>25,772</td>
<td>25,772</td>
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<tr>
<td><strong>Less: interest income</strong></td>
<td>(257,354)</td>
<td>(514,431)</td>
<td>(531,657)</td>
<td>(531,657)</td>
<td></td>
</tr>
<tr>
<td><strong>Net loss and comprehensive loss</strong></td>
<td>(1,468,745)</td>
<td>(2,717,067)</td>
<td>(5,452,055)</td>
<td>(5,452,055)</td>
<td></td>
</tr>
</tbody>
</table>

## See accompanying notes to unaudited consolidated interim financial statements
U3O8 CORP.
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(UNAUDITED)
(A Development Stage Company)

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30, 2007</th>
<th>Three months ended June 30, 2006</th>
<th>Six months ended June 30, 2007</th>
<th>Six months ended June 30, 2006</th>
<th>Cumulative from inception to June 30, 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash provided by (used in) Operating</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net loss</td>
<td>(1,468,745)</td>
<td>(421,859)</td>
<td>(2,717,067)</td>
<td>(514,683)</td>
<td>(5,452,055)</td>
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<tr>
<td>Items not involving cash:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Amortization</td>
<td>85,098</td>
<td>6,764</td>
<td>129,376</td>
<td>6,764</td>
<td>227,535</td>
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<tr>
<td>Stock-based compensation (Note 7)</td>
<td>472,734</td>
<td>-</td>
<td>1,106,346</td>
<td>-</td>
<td>1,701,941</td>
</tr>
<tr>
<td>Foreign exchange (gain) loss</td>
<td>(56,712)</td>
<td>6,485</td>
<td>(46,602)</td>
<td>6,485</td>
<td>(64,178)</td>
</tr>
<tr>
<td></td>
<td>(967,625)</td>
<td>(408,610)</td>
<td>(1,527,947)</td>
<td>(501,434)</td>
<td>(3,586,757)</td>
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<tr>
<td>Changes in non-cash working capital</td>
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<td></td>
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<tr>
<td>Accounts receivable</td>
<td>(13,678)</td>
<td>(14)</td>
<td>(8,032)</td>
<td>(3,018)</td>
<td>(35,545)</td>
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<tr>
<td>Prepayments and deposits</td>
<td>30,651</td>
<td>(3,775)</td>
<td>(33,064)</td>
<td>(9,386)</td>
<td>(124,194)</td>
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<tr>
<td>Deferred costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9,554</td>
<td>-</td>
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<tr>
<td>Accounts payable and accrued liabilities</td>
<td>(67,402)</td>
<td>87,379</td>
<td>(302,455)</td>
<td>98,263</td>
<td>301,676</td>
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<td></td>
<td>(1,018,054)</td>
<td>(325,020)</td>
<td>(1,871,498)</td>
<td>(406,021)</td>
<td>(3,444,820)</td>
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<td>Investing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of property and equipment</td>
<td>(611,783)</td>
<td>(26,704)</td>
<td>(1,400,060)</td>
<td>(122,516)</td>
<td>(1,793,704)</td>
</tr>
<tr>
<td>Loan receivable</td>
<td>-</td>
<td>49,602</td>
<td>-</td>
<td>49,602</td>
<td>-</td>
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<tr>
<td></td>
<td>(611,783)</td>
<td>22,898</td>
<td>(1,400,060)</td>
<td>(72,914)</td>
<td>(1,793,704)</td>
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<tr>
<td>Financing</td>
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<tr>
<td>Issue of share capital</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>308,500</td>
<td>32,653,750</td>
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<td>Share issue costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(16,513)</td>
<td>(2,140,771)</td>
</tr>
<tr>
<td>Conversion of warrants</td>
<td>190,500</td>
<td>-</td>
<td>394,250</td>
<td>-</td>
<td>394,250</td>
</tr>
<tr>
<td></td>
<td>190,500</td>
<td>-</td>
<td>394,250</td>
<td>-</td>
<td>291,987</td>
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<td></td>
<td></td>
<td>30,907,229</td>
<td></td>
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<tr>
<td>Net change in cash and cash equivalents</td>
<td>(1,439,337)</td>
<td>(302,122)</td>
<td>(2,877,308)</td>
<td>(186,948)</td>
<td>25,668,705</td>
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<tr>
<td>Cash and cash equivalents, beginning of period</td>
<td>27,115,508</td>
<td>589,024</td>
<td>28,563,589</td>
<td>473,850</td>
<td>-</td>
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<tr>
<td>Effect of exchange rate changes on cash held in foreign currencies</td>
<td>56,712</td>
<td>(6,485)</td>
<td>46,602</td>
<td>(6,485)</td>
<td>64,178</td>
</tr>
<tr>
<td>Other information</td>
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<tr>
<td>Interest paid</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8,482</td>
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<tr>
<td>Cash and cash equivalents consist of:</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Cash</td>
<td>21,369,049</td>
<td>100,545</td>
<td>21,369,049</td>
<td>100,545</td>
<td></td>
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<tr>
<td>Guaranteed investment certificates</td>
<td>4,363,834</td>
<td>179,872</td>
<td>4,363,834</td>
<td>179,872</td>
<td></td>
</tr>
</tbody>
</table>

See accompanying notes to unaudited consolidated interim financial statements
<table>
<thead>
<tr>
<th>Share capital</th>
<th>Three months ended June 30, 2007</th>
<th>Three months ended June 30, 2006</th>
<th>Six months ended June 30, 2007</th>
<th>Six months ended June 30, 2006</th>
<th>Cumulative from inception to June 30, 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of period</td>
<td>29,912,065</td>
<td>787,237</td>
<td>29,606,277</td>
<td>3,750</td>
<td>-</td>
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<td>Issued for cash on incorporation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,750</td>
</tr>
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<td>Purchase of Prometheus Resources (Barbados) Inc.</td>
<td>-</td>
<td>2,250</td>
<td>-</td>
<td>2,250</td>
<td>2,250</td>
</tr>
<tr>
<td>Issue of shares</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>800,000</td>
<td>2,400,000</td>
</tr>
<tr>
<td>Initial public offering</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>30,250,000</td>
</tr>
<tr>
<td>Fair market value of warrants issued</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(908,952)</td>
</tr>
<tr>
<td>Share issue costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(16,513)</td>
<td>(2,140,771)</td>
</tr>
<tr>
<td>Conversion of warrants</td>
<td>190,500</td>
<td>-</td>
<td>394,250</td>
<td>-</td>
<td>394,250</td>
</tr>
<tr>
<td>Fair market value of conversion of warrants</td>
<td>95,402</td>
<td>-</td>
<td>197,440</td>
<td>-</td>
<td>197,440</td>
</tr>
<tr>
<td>Balance at end of period</td>
<td>30,197,967</td>
<td>789,487</td>
<td>30,197,967</td>
<td>789,487</td>
<td>30,197,967</td>
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</table>

<table>
<thead>
<tr>
<th>Warrants</th>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of period</td>
<td>806,914</td>
<td>-</td>
<td>908,952</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fair market value of warrants issued</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>908,952</td>
</tr>
<tr>
<td>Transferred to share capital on conversion of warrants</td>
<td>(95,402)</td>
<td>-</td>
<td>(197,440)</td>
<td>-</td>
<td>(197,440)</td>
</tr>
<tr>
<td>Balance at end of period</td>
<td>711,512</td>
<td>-</td>
<td>711,512</td>
<td>-</td>
<td>711,512</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contributed surplus</th>
<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of period</td>
<td>1,229,207</td>
<td>-</td>
<td>595,595</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Stock-based compensation (Note 7)</td>
<td>472,734</td>
<td>-</td>
<td>1,106,346</td>
<td>-</td>
<td>1,701,941</td>
</tr>
<tr>
<td>Balance at end of period</td>
<td>1,701,941</td>
<td>-</td>
<td>1,701,941</td>
<td>-</td>
<td>1,701,941</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accumulated deficit</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of period</td>
<td>(3,983,310)</td>
<td>(111,317)</td>
<td>(2,734,988)</td>
<td>(18,493)</td>
<td>-</td>
</tr>
<tr>
<td>Net loss</td>
<td>(1,468,745)</td>
<td>(421,859)</td>
<td>(2,717,067)</td>
<td>(514,683)</td>
<td>(5,452,055)</td>
</tr>
<tr>
<td>Balance at end of period</td>
<td>(5,452,055)</td>
<td>(533,176)</td>
<td>(5,452,055)</td>
<td>(533,176)</td>
<td>(5,452,055)</td>
</tr>
</tbody>
</table>

See accompanying notes to unaudited consolidated interim financial statements
1. **NATURE OF OPERATIONS AND GOING CONCERN**

   U3O8 Corp. (“U3O8” or the “Corporation”) is a Canadian junior exploration company engaged in acquiring and exploring mineral properties for uranium. To date, U3O8 has not earned any revenues from uranium exploration and is considered to be in the development stage.

   Since inception, (“December 6, 2005” being the date of incorporation), the efforts of the Corporation have been devoted to uranium exploration in Guyana. The Corporation has focused on certain “Reconnaissance Permits” (consisting collectively of Permit “A” and Permit “B”) granted to the Corporation by the Guyana Geological and Mines Commission (“GGMC”). The Corporation is in the process of exploring the land area assigned by the Reconnaissance Permits and has not yet determined whether the land area contains an economic uranium resource.

   These consolidated interim financial statements have been prepared using Canadian generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. The Corporation has exploration commitments of $9 million over the next three years relating to the recommended work program as disclosed in the Corporation’s prospectus dated December 15, 2006. The Corporation has approximately $26 million in cash and cash equivalents at June 30, 2007 to fund these exploration commitments and other working capital requirements.

   While there is no guarantee that the Corporation will discover a uranium resource, in the event that one is discovered, additional financing will be required to determine if the uranium resource is commercially viable. These circumstances lend substantial doubt as to the ability of the Corporation to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

   The Corporation’s ability to continue as a going concern is dependent upon its ability to fund its working capital and exploration commitments and eventually to generate positive cash flows, either from operations or sale of a prospecting licence(s). These consolidated interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

   As at June 30, 2007, the Corporation is in the process of making an application for several prospecting licenses for uranium in Guyana. There are no assurances that prospecting licenses will be issued to the Corporation from the GGMC.

2. **BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

   The unaudited consolidated interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial information. Accordingly, they do not include all of the information and notes to the consolidated interim financial statements required by Canadian generally accepted accounting principles for annual consolidated financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Operating results for the three and six months ended June 30, 2007 may not necessarily be indicative of the results that may be expected for the year ending December 31, 2007.
2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

The consolidated balance sheet at December 31, 2006 has been derived from the audited consolidated financial statements at that date but does not include all of the information and footnotes required by Canadian generally accepted accounting principles for annual consolidated financial statements. The consolidated interim financial statements have been prepared by management in accordance with the accounting policies described in the Corporation's annual audited consolidated financial statements for the year ended December 31, 2006, except as noted below. For further information, refer to the audited consolidated financial statements and notes thereto for the year ended December 31, 2006.

Financial Instruments, comprehensive income and hedges

In January 2005, the Canadian Institute of Chartered Accountants (“CICA”) issued Handbook Sections 3855, “Financial Instruments – Recognition and Measurement”, 1530, “Comprehensive Income”, and 3865, “Hedges”. These new standards are effective for interim and annual financial statements relating to fiscal years commencing on or after October 1, 2006 on a prospective basis; accordingly, comparative amounts for prior periods are not restated. The Corporation has adopted these new standards effective January 1, 2007.

Section 3855 prescribes when a financial instrument is to be recognized on the balance sheet and at what amount. It also specifies how financial instrument gains and losses are to be presented. This Section requires that:

- All financial assets be measured at fair value on initial recognition and certain financial assets to be measured at fair value subsequent to initial recognition;
- All financial liabilities be measured at fair value if they are classified as held for trading purposes. Other financial liabilities are measured at amortized cost using the effective interest method; and
- All derivative financial instruments be measured at fair value on the balance sheet, even when they are part of an effective hedging relationship.

Section 1530 introduces a new requirement to temporarily present certain gains and losses from changes in fair value outside net income. It includes unrealized gains and losses, such as: changes in the currency translation adjustment relating to self-sustaining foreign operations; unrealized gains or losses on available-for-sale investments; and the effective portion of gains or losses on derivatives designated as cash flow hedges or hedges of the net investment in self-sustaining foreign operations.

Section 3865 provides alternative treatments to Section 3855 for entities which choose to designate qualifying transactions as hedges for accounting purposes. It replaces and expands on Accounting Guideline 13 “Hedging Relationships”, and the hedging guidance in Section 1650 “Foreign Currency Translation” by specifying how hedge accounting is applied and what disclosures are necessary when it is applied.

Under adoption of these new standards, the Company designated its cash and cash equivalents as held-for-trading, which are measured at fair value. Accounts receivable is classified as loans and receivables, which is measured at amortized cost and accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.
2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments, comprehensive income and hedges (continued)

The Corporation has evaluated the impact of these new standards on its consolidated financial statements and determined that no adjustments are currently required.

Future accounting changes

Capital Disclosures and Financial Instruments – Disclosures and Presentation


Section 1535 specifies the disclosure of (i) an entity’s objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance.

The new Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments — Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks.

The Corporation is currently assessing the impact of these new accounting standards on its consolidated financial statements.

3. PROPERTY AND EQUIPMENT

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2007</th>
<th>December 31, 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value</td>
<td>Value</td>
</tr>
<tr>
<td><strong>Guyana</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Field equipment</td>
<td>576,366</td>
<td>264,767</td>
</tr>
<tr>
<td>Vehicles</td>
<td>71,964</td>
<td>23,964</td>
</tr>
<tr>
<td>Mobile equipment and drilling equipment</td>
<td>1,090,403</td>
<td>67,385</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>38,779</td>
<td>21,336</td>
</tr>
<tr>
<td></td>
<td><strong>1,777,512</strong></td>
<td><strong>377,452</strong></td>
</tr>
<tr>
<td>Less: accumulated amortization</td>
<td>(222,566)</td>
<td>(94,437)</td>
</tr>
<tr>
<td></td>
<td><strong>1,554,946</strong></td>
<td><strong>283,015</strong></td>
</tr>
</tbody>
</table>
Three and six months ended June 30, 2007

3. PROPERTY AND EQUIPMENT (continued)

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2007</th>
<th>December 31, 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Canada</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>16,192</td>
<td>16,192</td>
</tr>
<tr>
<td>Less: accumulated amortization</td>
<td>(4,969)</td>
<td>(3,722)</td>
</tr>
<tr>
<td></td>
<td>11,223</td>
<td>12,470</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,566,169</td>
<td>295,485</td>
</tr>
</tbody>
</table>

4. EXPLORATION EXPENDITURES IN GUYANA

The following uranium exploration activities have occurred in Guyana:

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30, 2007</th>
<th>Three months ended June 30, 2006</th>
<th>Six months ended June 30, 2007</th>
<th>Six months ended June 30, 2006</th>
<th>Cumulative from inception to June 30, 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reconnaissance permit &quot;A&quot; exploration costs (i)</td>
<td>523,050</td>
<td>109,707</td>
<td>758,780</td>
<td>109,707</td>
<td>1,557,738</td>
</tr>
<tr>
<td>Reconnaissance permit &quot;B&quot; exploration costs (ii)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7,463</td>
</tr>
<tr>
<td>Reconnaissance permit &quot;B&quot; acquisition cost</td>
<td>41,250</td>
<td>29,143</td>
<td>41,250</td>
<td>29,143</td>
<td>70,393</td>
</tr>
<tr>
<td>Project administration and general (iii)</td>
<td>228,623</td>
<td>26,588</td>
<td>607,337</td>
<td>26,588</td>
<td>957,520</td>
</tr>
<tr>
<td>Reconnaissance permit &quot;A&quot; acquisition cost</td>
<td>-</td>
<td>17,651</td>
<td>-</td>
<td>17,651</td>
<td>42,437</td>
</tr>
<tr>
<td>Exploration camp maintenance costs (iv)</td>
<td>247,899</td>
<td>15,044</td>
<td>463,640</td>
<td>15,044</td>
<td>733,831</td>
</tr>
<tr>
<td><strong>Total and cumulative expenditures</strong></td>
<td><strong>1,040,822</strong></td>
<td><strong>198,133</strong></td>
<td><strong>1,871,007</strong></td>
<td><strong>198,133</strong></td>
<td><strong>3,369,382</strong></td>
</tr>
</tbody>
</table>
4. EXPLORATION EXPENDITURES IN GUYANA (continued)

(i) Reconnaissance Permit "A" exploration costs consist of:

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30, 2007</th>
<th>Three months ended June 30, 2006</th>
<th>Six months ended June 30, 2007</th>
<th>Six months ended June 30, 2006</th>
<th>Cumulative from inception to June 30, 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of period</td>
<td>$1,034,688</td>
<td>$-</td>
<td>$798,958</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Airborne geophysical survey</td>
<td>$-</td>
<td>$69,750</td>
<td>$-</td>
<td>$69,750</td>
<td>$582,035</td>
</tr>
<tr>
<td>Labour</td>
<td>$303,926</td>
<td>$13,257</td>
<td>$413,197</td>
<td>$13,257</td>
<td>$538,985</td>
</tr>
<tr>
<td>Drilling expenditures</td>
<td>$188,745</td>
<td>$-</td>
<td>$244,144</td>
<td>$-</td>
<td>$272,351</td>
</tr>
<tr>
<td>Travel</td>
<td>$20,230</td>
<td>$2,476</td>
<td>$41,304</td>
<td>$2,476</td>
<td>$66,569</td>
</tr>
<tr>
<td>Customs</td>
<td>$444</td>
<td>$-</td>
<td>$31,020</td>
<td>$-</td>
<td>$31,020</td>
</tr>
<tr>
<td>Field supplies</td>
<td>$3,196</td>
<td>$6,254</td>
<td>$20,079</td>
<td>$6,254</td>
<td>$26,333</td>
</tr>
<tr>
<td>Reports</td>
<td>$-</td>
<td>$-</td>
<td>$643</td>
<td>-</td>
<td>$8,106</td>
</tr>
<tr>
<td>Software</td>
<td>$-</td>
<td>$6,996</td>
<td>$-</td>
<td>$6,996</td>
<td>$6,996</td>
</tr>
<tr>
<td>Other</td>
<td>$5,561</td>
<td>$-</td>
<td>$6,897</td>
<td>$-</td>
<td>$6,897</td>
</tr>
<tr>
<td>Data management</td>
<td>$-</td>
<td>$6,451</td>
<td>$-</td>
<td>$6,451</td>
<td>$6,451</td>
</tr>
<tr>
<td>Assays</td>
<td>$-</td>
<td>$4,523</td>
<td>$-</td>
<td>$4,523</td>
<td>$4,523</td>
</tr>
<tr>
<td>Lab analysis</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$3,500</td>
</tr>
<tr>
<td>Equipment transportation</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$2,476</td>
</tr>
<tr>
<td>Corporation's portion of source deductions</td>
<td>$727</td>
<td>$-</td>
<td>$1,017</td>
<td>-</td>
<td>$1,017</td>
</tr>
<tr>
<td>Communication</td>
<td>$221</td>
<td>$-</td>
<td>$479</td>
<td>-</td>
<td>$479</td>
</tr>
<tr>
<td>Total and cumulative expenditures</td>
<td>$523,050</td>
<td>$109,707</td>
<td>$758,780</td>
<td>$109,707</td>
<td>$1,557,738</td>
</tr>
<tr>
<td>Balance at end of period</td>
<td>$1,557,738</td>
<td>$109,707</td>
<td>$1,557,738</td>
<td>$109,707</td>
<td>$1,557,738</td>
</tr>
</tbody>
</table>

(ii) Reconnaissance Permit "B" exploration costs consist of:

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30, 2007</th>
<th>Three months ended June 30, 2006</th>
<th>Six months ended June 30, 2007</th>
<th>Six months ended June 30, 2006</th>
<th>Cumulative from inception to June 30, 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of period</td>
<td>$7,463</td>
<td>$-</td>
<td>$7,463</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Reports</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$7,463</td>
</tr>
<tr>
<td>Total and cumulative expenditures</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$7,463</td>
</tr>
<tr>
<td>Balance at end of period</td>
<td>$7,463</td>
<td>$-</td>
<td>$7,463</td>
<td>$-</td>
<td>$7,463</td>
</tr>
</tbody>
</table>
### 4. EXPLORATION EXPENDITURES IN GUYANA (continued)

(iii) Project administration and general costs consist of:

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30, 2007</th>
<th>Three months ended June 30, 2006</th>
<th>Six months ended June 30, 2007</th>
<th>Six months ended June 30, 2006</th>
<th>Cumulative from inception to June 30, 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of period</td>
<td>$728,897</td>
<td>$-</td>
<td>$350,183</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Labour</td>
<td>$132,701</td>
<td>$13,715</td>
<td>$392,303</td>
<td>$13,715</td>
<td>$615,423</td>
</tr>
<tr>
<td>Travel</td>
<td>$17,805</td>
<td>$3,662</td>
<td>$40,849</td>
<td>$3,662</td>
<td>$74,763</td>
</tr>
<tr>
<td>Rental of office charges and storage</td>
<td>$24,338</td>
<td>$8,000</td>
<td>$39,824</td>
<td>$8,000</td>
<td>$63,634</td>
</tr>
<tr>
<td>Insurance</td>
<td>$7,135</td>
<td>$-</td>
<td>$56,903</td>
<td>$-</td>
<td>$57,570</td>
</tr>
<tr>
<td>Office and general</td>
<td>$17,998</td>
<td>$410</td>
<td>$27,159</td>
<td>$410</td>
<td>$37,425</td>
</tr>
<tr>
<td>Maintenance</td>
<td>$12,582</td>
<td>$314</td>
<td>$22,152</td>
<td>$314</td>
<td>$32,181</td>
</tr>
<tr>
<td>Professional fees</td>
<td>$3,884</td>
<td>$-</td>
<td>$12,426</td>
<td>$-</td>
<td>$31,972</td>
</tr>
<tr>
<td>Communications</td>
<td>$6,808</td>
<td>$-</td>
<td>$6,808</td>
<td>$-</td>
<td>$19,352</td>
</tr>
<tr>
<td>Meals and entertainment</td>
<td>$1,972</td>
<td>$316</td>
<td>$4,679</td>
<td>$316</td>
<td>$14,235</td>
</tr>
<tr>
<td>Accommodation</td>
<td>$2,084</td>
<td>$-</td>
<td>$2,084</td>
<td>$-</td>
<td>$6,523</td>
</tr>
<tr>
<td>Corporation's portion of source deductions</td>
<td>$1,316</td>
<td>$171</td>
<td>$2,150</td>
<td>$171</td>
<td>$2,882</td>
</tr>
<tr>
<td>Community relations</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$1,560</td>
</tr>
<tr>
<td>Total and cumulative expenditures</td>
<td>$228,623</td>
<td>$26,588</td>
<td>$607,337</td>
<td>$26,588</td>
<td>$957,520</td>
</tr>
<tr>
<td>Balance at end of period</td>
<td>$957,520</td>
<td>$26,588</td>
<td>$957,520</td>
<td>$26,588</td>
<td>$957,520</td>
</tr>
</tbody>
</table>
4. EXPLORATION EXPENDITURES IN GUYANA (continued)

(iv) Exploration camp maintenance costs consist of:

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30, 2007</th>
<th>Three months ended June 30, 2006</th>
<th>Six months ended June 30, 2007</th>
<th>Six months ended June 30, 2006</th>
<th>Cumulative from inception to June 30, 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of period</td>
<td>$485,932</td>
<td>-</td>
<td>$270,191</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Labour</td>
<td>37,899</td>
<td>2,526</td>
<td>120,242</td>
<td>2,526</td>
<td>232,782</td>
</tr>
<tr>
<td>Travel</td>
<td>75,650</td>
<td>8,503</td>
<td>118,773</td>
<td>8,503</td>
<td>189,433</td>
</tr>
<tr>
<td>Camp supplies</td>
<td>51,849</td>
<td>1,367</td>
<td>90,011</td>
<td>1,367</td>
<td>123,745</td>
</tr>
<tr>
<td>Fuel</td>
<td>38,580</td>
<td>1,682</td>
<td>60,541</td>
<td>1,682</td>
<td>86,685</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>35,874</td>
<td>-</td>
<td>55,163</td>
<td>-</td>
<td>62,557</td>
</tr>
<tr>
<td>Corporation’s portion of source deductions</td>
<td>5,762</td>
<td>-</td>
<td>9,994</td>
<td>-</td>
<td>14,320</td>
</tr>
<tr>
<td>General exploration</td>
<td>-</td>
<td>109</td>
<td>-</td>
<td>109</td>
<td>6,505</td>
</tr>
<tr>
<td>Freight</td>
<td>574</td>
<td>-</td>
<td>2,432</td>
<td>-</td>
<td>5,356</td>
</tr>
<tr>
<td>Medical</td>
<td>1,325</td>
<td>-</td>
<td>3,569</td>
<td>-</td>
<td>4,630</td>
</tr>
<tr>
<td>Camp accommodation</td>
<td>-</td>
<td>857</td>
<td>-</td>
<td>857</td>
<td>3,628</td>
</tr>
<tr>
<td>Communication</td>
<td>386</td>
<td>-</td>
<td>2,915</td>
<td>-</td>
<td>2,915</td>
</tr>
<tr>
<td>Maps</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>443</td>
</tr>
<tr>
<td>Meals and entertainment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>423</td>
</tr>
<tr>
<td>Insurance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>409</td>
</tr>
<tr>
<td>Total and cumulative expenditures</td>
<td>$247,899</td>
<td>15,044</td>
<td>$463,640</td>
<td>15,044</td>
<td>$733,831</td>
</tr>
<tr>
<td>Balance at end of period</td>
<td>$733,831</td>
<td>15,044</td>
<td>$733,831</td>
<td>15,044</td>
<td>$733,831</td>
</tr>
</tbody>
</table>

5. RELATED PARTY TRANSACTIONS

The Corporation entered into the following transactions with related parties:

(i) The Chief Financial Officer is a partner in a firm providing corporate secretarial and accounting services to U3O8. During the three and six months ended June 30, 2007, U3O8 expensed $7,600 and $16,500 (three months ended June 30, 2006 - $2,250 and six months ended June 30, 2006 - $4,500) for services rendered by this firm. In addition, as at June 30, 2007, this firm was owed $8,412 (June 30, 2006 - $4,621) and this amount was included in accounts payable and accrued liabilities.

(ii) For the three and six months ended June 30, 2007, the Corporation was charged $60,500 and $121,000 (three months ended June 30, 2006 - $42,000 and six months ended June 30, 2006 - $84,000) for management and consulting services rendered by two officers and a director of the Corporation. The entire amount has been expensed in the statement of loss and comprehensive loss. Included in accounts payable and accrued liabilities at June 30, 2007 is $4,623 (June 30, 2006 - $104,975) owing to these related parties.
5. RELATED PARTY TRANSACTIONS (continued)

The transactions noted above are in the normal course of operations and are measured at the exchange amount, as established and agreed to by the related parties.

6. SHARE CAPITAL

(a) Authorized capital
   Unlimited number of common shares

(b) Issued capital

<table>
<thead>
<tr>
<th>No. of Shares</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued for cash on incorporation</td>
<td>3,750,000</td>
</tr>
<tr>
<td>Balance, December 31, 2005</td>
<td>3,750,000</td>
</tr>
<tr>
<td>Purchase of Prometheus Resources (Barbados) Inc.</td>
<td>2,250,000</td>
</tr>
<tr>
<td>Private placement</td>
<td>4,000,000</td>
</tr>
<tr>
<td>Private placement</td>
<td>800,000</td>
</tr>
<tr>
<td>Initial public offering</td>
<td>12,100,000</td>
</tr>
<tr>
<td>Cost of issue - cash</td>
<td>-</td>
</tr>
<tr>
<td>Cost of issue - fair market value of warrants issued</td>
<td>-</td>
</tr>
<tr>
<td>Balance, December 31, 2006</td>
<td>22,900,000</td>
</tr>
<tr>
<td>Conversion of warrants</td>
<td>157,700</td>
</tr>
<tr>
<td>Fair market value of conversion of warrants</td>
<td>-</td>
</tr>
<tr>
<td>Balance, June 30, 2007</td>
<td>23,057,700</td>
</tr>
</tbody>
</table>

7. STOCK OPTIONS

The following table reflects the continuity of stock options for the six months ended June 30, 2007:

<table>
<thead>
<tr>
<th>Number of Stock options</th>
<th>Weighted average exercise price ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, December 31, 2006 (1)</td>
<td>1,960,000</td>
</tr>
<tr>
<td>Granted (2)</td>
<td>90,000</td>
</tr>
<tr>
<td>Balance, June 30, 2007</td>
<td>2,050,000</td>
</tr>
</tbody>
</table>
7. STOCK OPTIONS (continued)

(1) On December 15, 2006, the Corporation granted an aggregate of 1,960,000 incentive stock options to directors, officers, consultants and key employees, pursuant to the Corporation's Stock Option Plan, at an exercise price of $2.50 per share. The options are exercisable for a period of three years. For the purposes of the 1,960,000 options, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%; expected volatility of 94.03%; risk-free interest rate of 3.80% and an expected average life of 3 years. The estimated value of $2,199,120 will be recorded as a debit to the relevant expense category and credited to contributed surplus as the options vest. The options vest over eighteen months as to one-quarter immediately, one-quarter on June 15, 2007, one-quarter on December 15, 2007 and one-quarter on June 15, 2008. For the three and six months ended June 30, 2007, the estimated impact on expenses was $458,152 and $1,000,292 respectively.

(2) On March 6, 2007, the Corporation granted 90,000 incentive stock options to two consultants for geological services, pursuant to the Corporation's Stock Option Plan. The incentive stock options are valid for three years, at an exercise price of $3.63 per share. For the purposes of the 90,000 options, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%; expected volatility of 89.03%; risk-free interest rate of 3.89% and an expected average life of 3 years. The estimated value of $190,890 will be recorded as a debit to the relevant expense category and credited to contributed surplus as the options vest. The options vest over eighteen months as to one-quarter immediately, one-quarter on September 6, 2007, one-quarter on March 6, 2008 and one-quarter on September 6, 2008. For the three and six months ended June 30, 2007, the estimated impact on expenses was $14,582 and $106,054 respectively.

The following table summarizes the expense category that stock-based compensation was charged to in the given periods:

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30, 2007</th>
<th>Three months ended June 30, 2006</th>
<th>Six months ended June 30, 2007</th>
<th>Six months ended June 30, 2006</th>
<th>Cumulative from inception to June 30, 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Canada</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors' stock based compensation</td>
<td>268,813</td>
<td>-</td>
<td>586,907</td>
<td>-</td>
<td>936,361</td>
</tr>
<tr>
<td>Management compensation</td>
<td>37,404</td>
<td>-</td>
<td>81,657</td>
<td>-</td>
<td>130,277</td>
</tr>
<tr>
<td>Investor relations</td>
<td>23,374</td>
<td>-</td>
<td>51,035</td>
<td>-</td>
<td>81,423</td>
</tr>
<tr>
<td>Professional fees</td>
<td>7,013</td>
<td>-</td>
<td>15,311</td>
<td>-</td>
<td>24,427</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>336,604</td>
<td>-</td>
<td>734,910</td>
<td>-</td>
<td>1,172,488</td>
</tr>
</tbody>
</table>

| **Guyana**          |                                  |                                 |                               |                                |                                          |
| Labour (1)          | 72,656                           | -                               | 188,829                       | -                              | 301,264                                   |
| Labour (2)          | 63,474                           | -                               | 182,607                       | -                              | 228,189                                   |
| **Total**           | 136,130                          | -                               | 371,436                       | -                              | 529,453                                   |

| **Total**           | 472,734                          | -                               | 1,106,346                     | -                              | 1,701,941                                 |

(1) Included in project administration and general costs
(2) Included in Reconnaissance Permit "A" exploration costs
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UNAUDITED)
(A Development Stage Company)
Three and six months ended June 30, 2007

7. STOCK OPTIONS (continued)

The following table reflects the actual stock options issued and outstanding as of June 30, 2007:

<table>
<thead>
<tr>
<th>Expiry Date</th>
<th>Exercise price ($)</th>
<th>Number of Options Outstanding</th>
<th>Number of Options Vested (Exercisable)</th>
<th>Number of Options Unvested</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) December 15, 2009</td>
<td>2.50</td>
<td>1,960,000</td>
<td>980,000</td>
<td>980,000</td>
</tr>
<tr>
<td>(ii) March 6, 2010</td>
<td>3.63</td>
<td>90,000</td>
<td>22,500</td>
<td>67,500</td>
</tr>
</tbody>
</table>

(i) The fair market value of each stock option using the Black-Scholes calculation is $1.12.
(ii) The fair market value of each stock option using the Black-Scholes calculation is $2.12.

8. WARRANTS

The following table reflects the continuity of warrants for the six months ended June 30, 2007:

<table>
<thead>
<tr>
<th></th>
<th>Number of Warrants</th>
<th>Weighted average exercise price ($)</th>
<th>Fair value ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, December 31, 2006</td>
<td>726,000</td>
<td>2.50</td>
<td>908,952</td>
</tr>
<tr>
<td>Exercised (157,700)</td>
<td></td>
<td>2.50</td>
<td>(197,440)</td>
</tr>
<tr>
<td>Balance, June 30, 2007</td>
<td>568,300</td>
<td>2.50</td>
<td>711,512</td>
</tr>
</tbody>
</table>

The following table reflects the actual warrants outstanding as of June 30, 2007:

<table>
<thead>
<tr>
<th>Expiry Date</th>
<th>Number of warrants</th>
<th>Exercise price ($)</th>
<th>Fair Value ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 27, 2008</td>
<td>568,300</td>
<td>2.50</td>
<td>711,512</td>
</tr>
</tbody>
</table>

(1) Broker warrants issued from initial public offering in fiscal 2006.
9. SEGMENTED INFORMATION

The Corporation operates in three countries and has two operating segments, corporate and exploration.

(a) Segmented assets

<table>
<thead>
<tr>
<th>June 30, 2007</th>
<th>Canada</th>
<th>Barbados</th>
<th>Guyana</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td>25,471,526</td>
<td>18,437</td>
<td>404,909</td>
<td>25,894,872</td>
</tr>
<tr>
<td>Long-term assets</td>
<td>11,223</td>
<td>-</td>
<td>1,554,946</td>
<td>1,566,169</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>25,482,749</td>
<td>18,437</td>
<td>1,959,855</td>
<td>27,461,041</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>December 31, 2006</th>
<th>Canada</th>
<th>Barbados</th>
<th>Guyana</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td>28,532,261</td>
<td>-</td>
<td>152,221</td>
<td>28,684,482</td>
</tr>
<tr>
<td>Long-term assets</td>
<td>12,470</td>
<td>-</td>
<td>283,015</td>
<td>295,485</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>28,544,731</td>
<td>-</td>
<td>435,236</td>
<td>28,979,967</td>
</tr>
</tbody>
</table>

(b) Segmented expenses

<table>
<thead>
<tr>
<th>Six months ended June 30, 2007</th>
<th>Canada</th>
<th>Barbados</th>
<th>Guyana</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate</td>
<td>834,243</td>
<td>11,817</td>
<td>-</td>
<td>846,060</td>
</tr>
<tr>
<td>Exploration</td>
<td>-</td>
<td>-</td>
<td>1,871,007</td>
<td>1,871,007</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>834,243</td>
<td>11,817</td>
<td>1,871,007</td>
<td>2,717,067</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Three months ended June 30, 2007</th>
<th>Canada</th>
<th>Barbados</th>
<th>Guyana</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate</td>
<td>416,106</td>
<td>11,817</td>
<td>-</td>
<td>427,923</td>
</tr>
<tr>
<td>Exploration</td>
<td>-</td>
<td>-</td>
<td>1,040,822</td>
<td>1,040,822</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>416,106</td>
<td>11,817</td>
<td>1,040,822</td>
<td>1,468,745</td>
</tr>
</tbody>
</table>
9. SEGMENTED INFORMATION (continued)

(b) Segmented expenses (continued)

### Six Months Ended June 30, 2006

<table>
<thead>
<tr>
<th></th>
<th>Canada</th>
<th>Barbados</th>
<th>Guyana</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate</td>
<td>316,550</td>
<td>-</td>
<td>-</td>
<td>316,550</td>
</tr>
<tr>
<td>Exploration</td>
<td>-</td>
<td>-</td>
<td>198,133</td>
<td>198,133</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>316,550</td>
<td>-</td>
<td>198,133</td>
<td>514,683</td>
</tr>
</tbody>
</table>

### Three months ended June 30, 2006

<table>
<thead>
<tr>
<th></th>
<th>Canada</th>
<th>Barbados</th>
<th>Guyana</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate</td>
<td>223,726</td>
<td>-</td>
<td>-</td>
<td>223,726</td>
</tr>
<tr>
<td>Exploration</td>
<td>-</td>
<td>-</td>
<td>198,133</td>
<td>198,133</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>223,726</td>
<td>-</td>
<td>198,133</td>
<td>421,859</td>
</tr>
</tbody>
</table>

10. COMMITMENTS

The Corporation's obligations over the next three years are as follows:

<table>
<thead>
<tr>
<th></th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Complete Phase I and, if warranted, Phase II of the recommended program for the areas underlying the Reconnaissance Permits</td>
<td>8,926,898</td>
</tr>
<tr>
<td>(ii) Optional expenses to fund future growth plans</td>
<td>400,000</td>
</tr>
<tr>
<td>(iii) Payments to the Government of Guyana</td>
<td>92,760</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>9,419,658</td>
</tr>
</tbody>
</table>

(i) $11,695,248 as disclosed in the Corporation's prospectus dated December 15, 2006 less an amount equal to $2,768,350 in exploration expenditures previously incurred in furtherance of the recommended programs.

(ii) This amount represents expenses over the course of the ensuing 36 months which are not committed but required to fund the future growth plans of the Corporation, and include: (i) helicopter support to perform exploratory work on the Permit "B" area ($150,000); (ii) investor relations and business development ($200,000) and; (iii) contingencies ($50,000).

(iii) The following payments must be made to the GGMC by the dates below to maintain the Reconnaissance Permits in good standing:

<table>
<thead>
<tr>
<th>Permit &quot;A&quot; Costs</th>
<th>Permit &quot;B&quot; Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Date</strong></td>
<td><strong>Amount</strong></td>
</tr>
<tr>
<td>November 2007</td>
<td>US$30,000</td>
</tr>
</tbody>
</table>
11. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current period presentation.

12. ADMINISTRATIVE AND GENERAL

<table>
<thead>
<tr>
<th></th>
<th>Three months ended June 30, 2007</th>
<th>Three months ended June 30, 2006</th>
<th>Six months ended June 30, 2007</th>
<th>Six months ended June 30, 2006</th>
<th>Cumulative from inception to June 30, 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent</td>
<td>$9,870</td>
<td>$2,557</td>
<td>$19,328</td>
<td>$2,557</td>
<td>$38,718</td>
</tr>
<tr>
<td>Computer and website maintenance</td>
<td>$1,100</td>
<td>$8,619</td>
<td>$2,750</td>
<td>$8,619</td>
<td>$17,439</td>
</tr>
<tr>
<td>Insurance</td>
<td>$13,594</td>
<td>$-</td>
<td>$24,939</td>
<td>$-</td>
<td>$29,502</td>
</tr>
<tr>
<td>Office supplies and postage</td>
<td>$5,336</td>
<td>$1,746</td>
<td>$7,726</td>
<td>$2,084</td>
<td>$14,351</td>
</tr>
<tr>
<td>Telephone</td>
<td>$857</td>
<td>$1,899</td>
<td>$1,944</td>
<td>$1,899</td>
<td>$5,502</td>
</tr>
<tr>
<td>Bank service charges</td>
<td>$1,273</td>
<td>$-</td>
<td>$2,396</td>
<td>$-</td>
<td>$3,978</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32,030</strong></td>
<td><strong>14,821</strong></td>
<td><strong>59,083</strong></td>
<td><strong>15,159</strong></td>
<td><strong>109,490</strong></td>
</tr>
</tbody>
</table>