

**ERIN VENTURES INC.**  
**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
September 30, 2007  
(Unaudited)

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THE ACCOMPANYING FINANCIAL STATEMENTS FOR THE QUARTERS ENDED SEPTEMBER 30, 2007 AND 2006 HAVE NOT BEEN REVIEWED OR AUDITED BY THE COMPANY'S AUDITORS.

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**ERIN VENTURES INC.**  
**INTERIM CONSOLIDATED BALANCE SHEETS**  
September 30, 2007 and June 30, 2007  
(Unaudited)

|                                        | <u>September 30,</u><br><u>2007</u> | <u>June 30,</u><br><u>2007</u> |
|----------------------------------------|-------------------------------------|--------------------------------|
| <b><u>ASSETS</u></b>                   |                                     |                                |
| Current                                |                                     |                                |
| Cash                                   | \$ 580,282                          | \$ 917,430                     |
| GST receivable                         | 11,207                              | 12,135                         |
| Other receivable                       | 64,356                              | -                              |
| Prepaid expenses                       | <u>31,625</u>                       | <u>8,643</u>                   |
|                                        | 687,470                             | 938,208                        |
| Equipment – Note 3                     | 442,867                             | 423,727                        |
| Resource properties – Notes 4, 6 and 8 | <u>1,303,232</u>                    | <u>1,222,325</u>               |
|                                        | <u>\$ 2,433,569</u>                 | <u>\$ 2,584,260</u>            |
| <b><u>LIABILITIES</u></b>              |                                     |                                |
| Current                                |                                     |                                |
| Accounts payable – Note 6              | \$ 242,429                          | \$ 280,157                     |
| Note payable                           | <u>244,735</u>                      | <u>230,918</u>                 |
|                                        | <u>487,164</u>                      | <u>511,075</u>                 |
| <b><u>SHAREHOLDERS' EQUITY</u></b>     |                                     |                                |
| Share capital – Notes 5 and 9          | 12,436,665                          | 12,404,637                     |
| Contributed surplus                    | 254,700                             | 243,450                        |
| Deficit                                | <u>(10,744,960)</u>                 | <u>(10,574,902)</u>            |
|                                        | <u>1,946,405</u>                    | <u>2,073,185</u>               |
|                                        | <u>\$ 2,433,569</u>                 | <u>\$ 2,584,260</u>            |

SEE ACCOMPANYING NOTES

**ERIN VENTURES INC.**  
**INTERIM CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT**  
for the three months ended September 30, 2007 and 2006  
(Unaudited)

|                                               | <u>2007</u>            | <u>2006</u>            |
|-----------------------------------------------|------------------------|------------------------|
| Administrative expenses                       |                        |                        |
| Accounting and audit fees                     | \$ 12,986              | \$ 5,000               |
| Amortization                                  | 1,311                  | 5,111                  |
| Consulting fees– Notes 5 and 6                | 16,319                 | 9,088                  |
| Filing fees                                   | 2,063                  | 875                    |
| Interest and bank charges                     | 929                    | 5,851                  |
| Interest on note payable                      | 13,817                 | 174,033                |
| Investor relations – Note 5                   | 37,750                 | 39,000                 |
| Management fees – Note 6                      | 21,000                 | 37,712                 |
| Office and miscellaneous                      | 22,164                 | 15,746                 |
| Rent – Note 6                                 | 2,750                  | 11,259                 |
| Stock-based compensation                      | -                      | 117,000                |
| Telephone                                     | 4,576                  | 6,639                  |
| Transfer agent fees                           | 996                    | 799                    |
| Travel and promotion – Note 6                 | <u>37,964</u>          | <u>21,323</u>          |
| Loss before other items                       | (174,625)              | (449,436)              |
| Other items:                                  |                        |                        |
| Foreign exchange gain (loss)                  | 3,067                  | (121)                  |
| Recovery of advances receivable – Note 6      | <u>1,500</u>           | <u>1,500</u>           |
| Net loss for the period                       | (170,058)              | (448,057)              |
| Deficit, beginning of the period              | <u>(10,574,902)</u>    | <u>(9,744,533)</u>     |
| Deficit, end of the period                    | <u>\$ (10,744,960)</u> | <u>\$ (10,192,590)</u> |
| Basic and diluted loss per share              | <u>\$ -</u>            | <u>\$ (0.01)</u>       |
| Weighted average number of shares outstanding | <u>71,479,088</u>      | <u>48,093,295</u>      |

SEE ACCOMPANYING NOTES

**ERIN VENTURES INC.**  
**INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
for the three months ended September 30, 2007 and 2006  
(Unaudited)

|                                                                  | <u>2007</u>       | <u>2006</u>       |
|------------------------------------------------------------------|-------------------|-------------------|
| Operating Activities                                             |                   |                   |
| Net loss for the period                                          | \$ (170,058)      | \$ (448,057)      |
| Items not affecting cash:                                        |                   |                   |
| Amortization                                                     | 1,311             | 5,111             |
| Foreign exchange loss (gain)                                     | (3,067)           | 121               |
| Stock-based compensation                                         | 11,250            | 277,000           |
| Accrued interest payable                                         | <u>13,817</u>     | <u>14,033</u>     |
|                                                                  | (146,747)         | (151,792)         |
| Changes in non-cash working capital items related to operations: |                   |                   |
| GST receivable                                                   | 928               | (199)             |
| Other receivable                                                 | (64,356)          | -                 |
| Prepaid expenses                                                 | 1,039             | 15,770            |
| Accounts payable                                                 | (34,661)          | 30,023            |
| Due from related party                                           | <u>-</u>          | <u>6,393</u>      |
|                                                                  | <u>(243,797)</u>  | <u>(99,805)</u>   |
| Financing Activity                                               |                   |                   |
| Share subscriptions received                                     | <u>-</u>          | <u>434,000</u>    |
| Investing Activities                                             |                   |                   |
| Increase in resource properties                                  | (62,059)          | (178,552)         |
| Purchase of equipment                                            | <u>(31,292)</u>   | <u>-</u>          |
|                                                                  | <u>(93,351)</u>   | <u>(178,552)</u>  |
| Increase (decrease) in cash during the period                    | (337,148)         | 155,643           |
| Cash, beginning of the period                                    | <u>917,430</u>    | <u>201,120</u>    |
| Cash, end of the period                                          | <u>\$ 580,282</u> | <u>\$ 356,763</u> |
| Supplemental disclosure of cash flow information;                |                   |                   |
| Cash paid for:                                                   |                   |                   |
| Interest                                                         | <u>\$ -</u>       | <u>\$ -</u>       |
| Income taxes                                                     | <u>\$ -</u>       | <u>\$ -</u>       |

Non-cash Transactions – Note 7

SEE ACCOMPANYING NOTES

**ERIN VENTURES INC.**  
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
September 31, 2007  
(Unaudited)

Note 1 Interim Reporting

While the information presented in the accompanying interim financial statements is unaudited, it includes all adjustments which are, in the opinion of management, necessary to present fairly the financial position, results of operations and cash flows for the interim periods presented. It is suggested that these interim financial statements be read in conjunction with the Company's audited June 30, 2007 financial statements. These statements follow the same accounting policies and methods of their application as the Company's June 30, 2007 annual financial statements.

Note 2 Changes in Accounting Policies

Effective July 1, 2007, the Company adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants:

- a) Section 3855 – Financial Instruments – Recognition and Measurement. Section 3855 requires that all financial assets, except those classified as held to maturity, and derivative financial instruments, must be measured at fair value. All financial liabilities must be measured at fair value when they are classified as held for trading; otherwise, they are measured at cost. Investments classified as available for sale are reported at fair market value (or mark to market) based on quoted market prices with unrealized gains or losses excluded from earnings and reported as other comprehensive income or loss. Investments subject to significant influence are reported at cost and not adjusted to fair market value.
- b) Section 1530 – Comprehensive Income. Comprehensive income is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that would not normally be included in net earnings such as unrealized gains or losses on available-for-sale investments. Other comprehensive income includes the holding gains and losses from available for sale securities which are not included in net income (loss) until realized.

The adoption of these new accounting standards did not impact the opening balance sheet as at July 1, 2007 or net loss for the three months ended September 30, 2007. As a result, comprehensive loss is equal to net loss and there are no other comprehensive income items to be recorded.

Note 3 Equipment

|                    | <u>September 30, 2007</u> |                                 |                   | <u>June 30, 2007</u> |
|--------------------|---------------------------|---------------------------------|-------------------|----------------------|
|                    | <u>Cost</u>               | <u>Accumulated Amortization</u> | <u>Net</u>        | <u>Net</u>           |
| Office equipment   | \$ 7,555                  | \$ 5,147                        | \$ 2,408          | \$ 2,568             |
| Mining equipment   | 481,856                   | 59,629                          | 422,227           | 406,657              |
| Computer equipment | 25,009                    | 16,549                          | 8,460             | 4,078                |
| Vehicle            | <u>15,329</u>             | <u>5,557</u>                    | <u>9,772</u>      | <u>10,424</u>        |
|                    | <u>\$ 529,749</u>         | <u>\$ 86,882</u>                | <u>\$ 442,867</u> | <u>\$ 423,727</u>    |

Note 4 Resource Properties – Notes 6 and 8

|                                | <u>Triangle USA</u> | <u>Ceiba Belize</u> | <u>Total</u>        |
|--------------------------------|---------------------|---------------------|---------------------|
| Balance, June 30, 2007         | <u>\$ 590,465</u>   | <u>\$ 631,860</u>   | <u>\$ 1,222,325</u> |
| Acquisition costs              |                     |                     |                     |
| Cash                           | <u>-</u>            | <u>7,978</u>        | <u>7,978</u>        |
| Deferred exploration costs     |                     |                     |                     |
| Administration and rent        | 8,949               | 2,496               | 11,445              |
| Amortization                   | -                   | 10,841              | 10,841              |
| Assaying                       | 16,709              | -                   | 16,709              |
| Drilling                       | 38,791              | -                   | 38,791              |
| Fuel and vehicle               | -                   | 11,880              | 11,880              |
| Geological consulting – Note 6 | 20,574              | 26,300              | 46,874              |
| Supplies                       | 3,325               | 31,084              | 34,409              |
| Trenching and excavating       | -                   | 11,909              | 11,909              |
| Wages                          | <u>-</u>            | <u>39,898</u>       | <u>39,898</u>       |
|                                | <u>88,348</u>       | <u>134,408</u>      | <u>222,756</u>      |
| Less: incidental revenue       | <u>-</u>            | <u>(149,827)</u>    | <u>(149,827)</u>    |
|                                | <u>88,348</u>       | <u>(7,441)</u>      | <u>80,907</u>       |
| Balance, September 30, 2007    | <u>\$ 678,813</u>   | <u>\$ 624,419</u>   | <u>\$ 1,303,232</u> |

Note 5 Share Capital – Note 9

a) Authorized:

Unlimited voting common shares without par value  
Unlimited preferred shares without par value

b) Issued and fully paid common shares:

|                             |              | <u>Number</u>     | <u>Amount</u>       |
|-----------------------------|--------------|-------------------|---------------------|
| Balance, June 30, 2007      |              | 71,382,349        | \$12,404,637        |
| For services                | - at \$0.107 | <u>300,000</u>    | <u>32,028</u>       |
| Balance, September 30, 2007 |              | <u>71,682,349</u> | <u>\$12,436,665</u> |

c) Commitments:

Stock-based Compensation

The Company has granted directors and employees common share purchase options. Additional common share purchase options were also granted pursuant to resource property acquisition agreements. These options are granted with an exercise price equal to the market price of the Company's shares on the date of the grant.

A summary of the status of share purchase options outstanding is presented below:

|                                      | Three months ended<br>September 30, |                                                    |                  |                                                    |
|--------------------------------------|-------------------------------------|----------------------------------------------------|------------------|----------------------------------------------------|
|                                      | 2007                                |                                                    | 2006             |                                                    |
|                                      | <u>Shares</u>                       | <u>Weighted<br/>Average<br/>Exercise<br/>Price</u> | <u>Shares</u>    | <u>Weighted<br/>Average<br/>Exercise<br/>Price</u> |
| Outstanding at beginning of period   | 3,730,000                           | \$0.15                                             | 1,100,000        | \$0.15                                             |
| Cancelled                            | (500,000)                           | \$0.15                                             | -                | -                                                  |
| Granted                              | <u>500,000</u>                      | \$0.15                                             | <u>1,630,000</u> | \$0.135                                            |
| Options outstanding at end of period | <u>3,730,000</u>                    | \$0.15                                             | <u>2,730,000</u> | \$0.14                                             |
| Options exercisable at end of period | <u>3,305,000</u>                    | \$0.15                                             | <u>2,730,000</u> | \$0.14                                             |

At September 30, 2007, the Company has 3,730,000 share purchase options outstanding entitling the holder thereof the right to purchase one common share for each option held as follows:

Note 5 Share Capital – Note 9 – (cont'd)

c) Commitments: – (cont'd)

Stock-based Compensation – (cont'd)

| <u>Number of Options</u> | <u>Exercise Price</u> | <u>Expiry Date</u>   |
|--------------------------|-----------------------|----------------------|
| 1,100,000                | \$0.15                | October 12, 2007     |
| 1,600,000                | \$0.135               | September 12, 2011   |
| 330,000                  | \$0.18                | December 18, 2009    |
| 500,000                  | \$0.15                | January 1, 2009      |
| 100,000                  | \$0.15                | February 16, 2012    |
| 100,000                  | \$0.30                | February 16, 2012    |
| <u>500,000</u>           | <u>\$0.15</u>         | <u>July 23, 2009</u> |
| <u>4,230,000</u>         |                       |                      |

Subsequent to September 30, 2007, 1,100,000 share purchase options, previously outstanding and exercisable at \$0.15 per share, expired unexercised.

The fair value of the share purchase options granted during the period was \$3,750 and is included in investor relations expense. The fair value of the share purchase options vested during the period was \$7,500 and is included in consulting expense. Unless otherwise noted, all share purchase options vest when granted. The Company uses the Black Scholes option pricing model to estimate the fair value of the options using the following assumptions:

|                         |         |
|-------------------------|---------|
| Dividend yield          | Nil     |
| Annualized volatility   | 63.3%   |
| Risk-free interest rate | 3.48%   |
| Expected life           | 2 years |

Share Purchase Warrants

At September 30, 2007, the Company has 12,488,619 common share purchase warrants outstanding entitling the holders thereof the right to purchase one common share for each warrant held as follows:

| <u>Number of Warrants</u> | <u>Exercise Price</u> | <u>Expiry Date</u>       |
|---------------------------|-----------------------|--------------------------|
| 2,000,000                 | \$0.20                | September 13, 2008       |
| 1,947,619                 | \$0.16                | November 9, 2007         |
| 2,000,000                 | \$0.18                | December 22, 2007        |
| 4,341,000                 | \$0.15                | January 11, 2008         |
| <u>2,200,000</u>          | <u>\$0.20/\$0.25</u>  | <u>May 16, 2008/2009</u> |
| <u>12,488,619</u>         |                       |                          |



Note 5 Share Capital – Note 9 – (cont'd)

c) Commitments: – (cont'd)

Share Purchase Warrants – (cont'd)

During the three months ended September 30, 2007, no new warrants were issued and 5,000,000 common share purchase warrants, previously outstanding and exercisable at \$0.16 per share, expired unexercised.

Subsequent to September 30, 2007, 1,947,619 common share purchase warrants, previously outstanding and exercisable at \$0.16 per share, expired unexercised.

Note 6 Related Party Transactions

The Company incurred the following costs charged by directors of the Company:

|                                 | Three months ended<br>September 30, |                  |
|---------------------------------|-------------------------------------|------------------|
|                                 | <u>2007</u>                         | <u>2006</u>      |
| Resource property costs         |                                     |                  |
| Geological consulting           | \$ 16,650                           | \$ 15,000        |
| Management fees                 | 21,000                              | 21,000           |
| Consulting fees                 | 4,552                               | 5,500            |
| Rent                            | 2,750                               | 2,850            |
| Recovery of advances receivable | (1,500)                             | (1,500)          |
| Travel and promotion            | <u>750</u>                          | <u>750</u>       |
|                                 | <u>\$ 44,202</u>                    | <u>\$ 43,600</u> |

The charges were measured by the exchange amount, which is the amount agreed upon by the transacting parties.

As at September 30, 2007 accounts payable includes \$84,927 (June 30, 2007: \$77,164) due to directors of the Company. This amount is comprised of unpaid geological fees, consulting fees and travel costs.

Note 7 Non-cash Transactions

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statement of cash flows. The following transaction has been excluded from the statement of cash flows:

During the period ended September 30, 2007, the Company issued 300,000 common shares valued at \$0.107 (US\$ 0.10) per share for one year of facilities rental on a resource property.

Note 7      Non-cash Transactions – (cont'd)

During the period ended September 30, 2006, the Company issued 2,000,000 common shares valued at \$0.105 per share to partially settle a note payable.

Note 8      Commitment

The Company entered into an agreement to pay \$6,500 per month for investor relations for the six months period from August 2007 to January 2008.

Note 9      Subsequent Event

Subsequent to September 30, 2007 the Company granted share purchase options to directors and an employee of the Company to acquire up to 1,550,000 common shares, exercisable at \$0.15 per share until October 15, 2012.