

ERIN VENTURES INC.
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2007
(Unaudited)

THE ACCOMPANYING FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2007 AND 2006 HAVE NOT BEEN REVIEWED OR AUDITED BY THE COMPANY'S AUDITORS.

ERIN VENTURES INC.
INTERIM CONSOLIDATED BALANCE SHEETS
December 31, 2007 and June 30, 2007
(Unaudited)

	December 31, <u>2007</u>	June 30, <u>2007</u>
<u>ASSETS</u>		
Current		
Cash	\$ 342,273	\$ 917,430
GST receivable	6,413	12,135
Other receivable	69,671	-
Prepaid expenses	<u>63,485</u>	<u>8,643</u>
	481,842	938,208
Equipment – Note 3	435,524	423,727
Resource properties – Notes 4 and 6	<u>1,351,499</u>	<u>1,222,325</u>
	<u>\$ 2,268,865</u>	<u>\$ 2,584,260</u>
<u>LIABILITIES</u>		
Current		
Accounts payable – Note 6	\$ 256,354	\$ 280,157
Note payable	<u>-</u>	<u>230,918</u>
	<u>256,354</u>	<u>511,075</u>
<u>SHAREHOLDERS' EQUITY</u>		
Share capital – Note 5	12,739,531	12,404,637
Contributed surplus	443,376	243,450
Deficit	<u>(11,170,396)</u>	<u>(10,574,902)</u>
	<u>2,012,511</u>	<u>2,073,185</u>
	<u>\$ 2,268,865</u>	<u>\$ 2,584,260</u>

SEE ACCOMPANYING NOTES

ERIN VENTURES INC.
INTERIM CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT
for the three and six months ended December 31, 2007 and 2006
(Unaudited)

	Three months ended December 31,		Six months ended December 31,	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Administrative expenses				
Accounting and audit fees	\$ 23,435	\$ 24,165	\$ 36,421	\$ 29,165
Amortization	1,311	4,532	2,622	9,643
Consulting fees– Notes 5 and 6	11,315	13,411	27,634	22,499
Filing fees	4,781	11,658	6,844	12,533
Interest and bank charges	1,381	1,049	2,310	6,900
Interest on note payable	35,426	7,458	49,243	181,491
Investor relations – Note 5	59,026	24,000	96,776	63,000
Legal fees	602	5,626	602	5,626
Management fees – Note 6	21,000	4,288	42,000	42,000
Office and miscellaneous	29,041	13,853	51,205	29,599
Property investigation	5,273	-	5,273	-
Rent – Note 6	2,750	(5,534)	5,500	5,725
Stock-based compensation – Note 5	188,676	-	188,676	117,000
Telephone	4,785	10,296	9,361	16,406
Transfer agent fees	1,285	2,997	2,281	3,796
Travel and promotion – Note 6	37,969	27,029	75,933	48,352
Website	-	449	-	978
	<u>-</u>	<u>449</u>	<u>-</u>	<u>978</u>
Loss before other items	(428,056)	(145,277)	(602,681)	(594,713)
Other items:				
Foreign exchange gain (loss)	1,120	(621)	4,187	(742)
Recovery of advances receivable – Note 6	<u>1,500</u>	<u>1,500</u>	<u>3,000</u>	<u>3,000</u>
Net loss for the period	<u>\$ (425,436)</u>	<u>\$ (144,398)</u>	(595,494)	(592,455)
Deficit, beginning of the period			<u>(10,574,902)</u>	<u>(9,744,533)</u>
Deficit, end of the period			<u>\$ (11,170,396)</u>	<u>\$ (10,192,590)</u>
Basic and diluted loss per share	<u>\$ (0.01)</u>	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>
Weighted average number of shares outstanding	<u>72,071,623</u>	<u>71,479,088</u>	<u>71,775,356</u>	<u>52,483,382</u>

SEE ACCOMPANYING NOTES

ERIN VENTURES INC.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
for the three and six months ended December 31, 2007 and 2006
(Unaudited)

	Three months ended December 31,		Six months ended December 31,	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Operating Activities				
Net loss for the period	\$ (425,436)	\$ (144,398)	\$ (595,494)	\$ (592,455)
Items not affecting cash:				
Amortization – equipment	1,311	4,532	2,622	9,643
Foreign exchange loss (gain)	(1,120)	621	(4,187)	742
Stock-based compensation	188,676	-	199,926	277,000
Accrued interest payable	<u>(13,817)</u>	<u>7,458</u>	<u>-</u>	<u>21,491</u>
	(250,386)	(131,787)	(397,133)	(283,579)
Changes in non-cash working capital items related to operations:				
GST receivable	4,794	(4,489)	5,722	(4,688)
Other receivable	(5,315)	-	(69,671)	-
Prepaid expenses	(31,860)	(16,623)	(30,818)	853
Accounts payable	<u>4,042</u>	<u>28,480</u>	<u>(30,619)</u>	<u>(64,896)</u>
	<u>(278,725)</u>	<u>(124,419)</u>	<u>(522,519)</u>	<u>(224,224)</u>
Financing Activities				
Issuance of common shares	313,869	682,328	313,866	682,328
Shares subscribed, net of fees paid	-	(272,270)	-	161,730
Repayment of note payable	<u>(230,918)</u>	<u>-</u>	<u>(230,918)</u>	<u>-</u>
	<u>82,951</u>	<u>410,058</u>	<u>82,948</u>	<u>844,058</u>
Investing Activities				
Increase in resource properties – net	(35,795)	(44,723)	(97,854)	(223,275)
Purchase of equipment	<u>(6,440)</u>	<u>(524)</u>	<u>(37,732)</u>	<u>(524)</u>
	<u>(42,235)</u>	<u>(45,247)</u>	<u>(135,586)</u>	<u>(223,799)</u>
Increase (decrease) in cash during the period	(238,009)	240,392	(575,157)	396,035
Cash, beginning of the period	<u>580,282</u>	<u>356,763</u>	<u>917,430</u>	<u>201,120</u>
Cash, end of the period	<u>\$ 342,273</u>	<u>\$ 597,155</u>	<u>\$ 342,273</u>	<u>\$ 597,155</u>
Supplemental disclosure of cash flow information:				
Cash paid for:				
Interest	<u>\$ 19,243</u>	<u>\$ -</u>	<u>\$ 19,243</u>	<u>\$ -</u>
Income taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Non-cash Transactions – Note 7

SEE ACCOMPANYING NOTES

ERIN VENTURES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
December 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 six months ended December 31, 2007. As a result, comprehensive loss is equal to net loss and there are no other comprehensive income items to be recorded.

Erin Ventures Inc.
Notes to the Interim Consolidated Financial Statements
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Note 3 Equipment

	<u>December 31, 2007</u>			<u>June 30, 2007</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net</u>	<u>Net</u>
Office equipment	\$ 7,555	\$ 5,308	\$ 2,247	\$ 2,568
Mining equipment	488,297	72,102	416,195	406,657
Computer equipment	25,009	17,048	7,961	4,078
Vehicle	<u>15,329</u>	<u>6,208</u>	<u>9,121</u>	<u>10,424</u>
	<u>\$ 536,190</u>	<u>\$ 100,666</u>	<u>\$ 435,524</u>	<u>\$ 423,727</u>

Note 4 Resource Properties – Note 6

	<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	26,844	2,772	29,616
Amortization	-	23,314	23,314
Assaying	19,290	-	19,290
Drilling	38,791	-	38,791
Fuel and vehicle	-	41,061	41,061
Geological consulting – Note 6	59,929	55,721	115,650
Supplies	3,465	65,039	68,504
Trenching and excavating	-	30,485	30,485
Wages	<u>-</u>	<u>96,481</u>	<u>96,481</u>
	<u>148,319</u>	<u>314,873</u>	<u>463,192</u>
Less: incidental revenue	<u>-</u>	<u>(341,996)</u>	<u>(341,996)</u>
	<u>148,319</u>	<u>(19,145)</u>	<u>129,174</u>
Balance, December 31, 2007	<u>\$ 738,784</u>	<u>\$ 612,715</u>	<u>\$ 1,351,499</u>

Note 5 Share Capital

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	300,000	32,028
For cash:			
Pursuant to a private placement	- at \$0.11	2,853,327	313,866
Less: share issue costs		<u> -</u>	<u> (11,000)</u>
Balance, December 31, 2007		<u>74,535,676</u>	<u>\$ 12,739,531</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:

	Six months ended December 31,			
	2007		2006	
	<u>Shares</u>	<u>Weighted Average Exercise Price</u>	<u>Shares</u>	<u>Weighted Average Exercise Price</u>
Outstanding at beginning of period	3,730,000	\$0.15	1,100,000	\$0.15
Forfeited	(1,600,000)	\$0.15	-	-
Granted	<u>2,250,000</u>	\$0.15	<u>1,960,000</u>	\$0.14
Options outstanding at end of period	<u>4,380,000</u>	\$0.15	<u>3,060,000</u>	\$0.15
Options exercisable at end of period	<u>3,955,000</u>	\$0.15	<u>3,060,000</u>	\$0.15

Note 5 Share Capital – (cont'd)

c) Commitments: – (cont'd)

Stock-based Compensation – (cont'd)

At December 31, 2007, the Company has 4,380,000 share purchase options outstanding entitling the holder thereof the right to purchase one common share for each option held as follows:

<u>Number of Options</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
1,600,000	\$0.135	September 12, 2011
330,000	\$0.18	December 18, 2009
100,000	\$0.15	February 16, 2012
100,000	\$0.30	February 16, 2012
500,000	\$0.15	July 23, 2009
<u>1,750,000</u>	\$0.15	October 15, 2012
<u><u>4,380,000</u></u>		

The fair value of the share purchase options granted during the six months ended December 31, 2007 was \$199,926, of which \$3,750 is included in investor relations expense, \$188,676 is included in stock-based compensation expense, and \$7,500 is included in consulting fees. 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% – 146.6%
Risk-free interest rate	3.48% – 4.36%
Expected life	2 – 5 years

Share Purchase Warrants

At December 31, 2007, the Company has 11,394,327 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
4,341,000	\$0.15	January 11, 2008
2,200,000	\$0.20/\$0.25	May 16, 2008/2009
<u>2,853,327</u>	\$0.18/\$0.25	December 12, 2009/2010
<u><u>11,394,327</u></u>		

Note 5 Share Capital – (cont'd)

c) Commitments: – (cont'd)

Share Purchase Warrants – (cont'd)

During the six months ended December 31, 2007, 2,853,327 common share purchase warrants were issued and 8,947,169 common share purchase warrants, previously outstanding and exercisable at \$0.16 to \$0.18 per share, expired unexercised.

Subsequent to December 31, 2007, 4,341,000 common share purchase warrants, previously outstanding and exercisable at \$0.15 per share, expired unexercised.

Note 6 Related Party Transactions

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

	Six months ended December 31,	
	<u>2007</u>	<u>2006</u>
Resource property costs		
Geological consulting	\$ 27,625	\$ 31,785
Management fees	42,000	42,000
Consulting fees	10,552	13,104
Rent	5,500	2,725
Recovery of advances receivable	(3,000)	(3,000)
Travel and promotion	<u>1,500</u>	<u>1,500</u>
	<u>\$ 84,177</u>	<u>\$ 88,114</u>

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

As at December 31, 2007 accounts payable includes \$34,486 (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 six months ended December 31, 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 six months ended December 31, 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.