ERIN VENTURES INC.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2011

(Unaudited)

THE ACCOMPANYING FINANCIAL STATEMENTS FOR THE THREE AND NINE MONTHS ENDED MARCH 31, 2011 AND 2010 HAVE NOT BEEN REVIEWED OR AUDITED BY THE COMPANY'S AUDITORS

SEE ACCOMPANYING NOTES

ERIN VENTURES INC.
INTERIM CONSOLIDATED BALANCE SHEETS
March 31, 2011 and June 30, 2010
(Unaudited)

ASSETS	March 31, 2011	June 30, 2010
Current		
Cash	$ 2,895,117	$ 280,576
GST and other receivables	31,467	29,463
Assets held for sale – Note 5	-	750,715
	2,926,584	1,060,754
Equipment – Note 3	2,273	2,891
Resource properties – Notes 4 and 7	1,967,149	1,434,372
	$ 4,896,006	$ 2,498,017
LIABILITIES		
Current		
Accounts payable and accrued liabilities – Note 7	$ 128,185	$ 369,868
Liabilities held for sale – Note 5	-	158,507
	128,185	528,375
SHAREHOLDERS' EQUITY		
Share capital – Note 6	18,079,939	14,929,524
Share subscriptions	125,433	(126,484)
Contributed surplus – Note 6	1,014,950	650,330
Deficit	(14,452,501)	(13,483,728)
	4,767,821	1,969,642
	$ 4,896,006	$ 2,498,017

Subsequent Event – Note 12

SEE ACCOMPANYING NOTES

ERIN VENTURES INC.

INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT

for the three and nine months ended March 31, 2011 and 2010

(Unaudited)

	3 months ended March 31, 2011	3 months ended March 31, 2010	9 months ended March 31, 2011	9 months ended March 31, 2010
Administrative expenses				
Accounting and audit fees	$ 5,000	$ 11,894	$ 20,000	$ 33,946
Amortization	184	1,108	618	3,641
Consulting fees – Note 7	-	22,328	1,040	56,199
Filing fees	3,500	-	14,750	4,768
Interest and bank charges	2,655	4,320	4,861	5,825
Investor relations	-	20,000	33,000	56,000
Legal fees	10,000	1,679	20,000	32,365
Management fees – Note 7	39,000	24,000	117,000	72,000
Office and miscellaneous – Note 7	25,682	18,703	80,789	64,776
Rent – Note 7	3,500	3,000	10,500	9,000
Stock-based compensation – Note 6	-	-	231,420	26,100
Telephone	1,358	2,695	4,862	10,005
Transfer agent fees	1,264	1,317	6,408	4,740
Travel and promotion – Note 7	29,092	25,896	91,427	76,665
Loss before other items	(121,235)	(136,940)	(636,675)	(456,030)
Other items:				
Foreign exchange gain (loss)	3,081	2,000	10,622	10,083
Write-off of mineral property–Note 5	(347,220)	-	(347,220)	-
Recovery of advances – Note 7	1,500	1,500	4,500	4,500
Net loss and comprehensive loss for the period	(463,874)	(133,440)	(968,773)	(441,447)
Deficit, beginning of the period			(13,483,728)	(12,118,353)
Deficit, end of the period			$ (14,452,501)	$ (12,559,800)
Basic and diluted loss per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Weighted average number of shares outstanding	153,751,095	108,843,676	134,011,901	108,843,676

SEE ACCOMPANYING NOTES

ERIN VENTURES INC.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
for the three and nine months ended March 31, 2011 and 2010
(Unaudited)

	For the three months ended March 31, 2011	For the three months ended March 31, 2010	For the nine months ended March 31, 2011	For the nine months ended March 31, 2010
Operating Activities				
Net loss for the period	$ (463,874)	$ (133,440)	$ (968,773)	$ (441,447)
Items not affecting cash:				
Amortization	184	1,108	618	3,641
Foreign exchange	3,081	2,000	10,622	(10,083)
Stock-based compensation	-	-	231,420	26,100
Write-off of mineral property	347,220	-	347,220	-
	(113,389)	(130,332)	(378,893)	(421,789)
Changes in non-cash working capital items related to operations:				
GST and other receivable	(882)	(697)	(2,004)	(1,570)
Prepaid expenses	-	-	-	(5,500)
Accounts payable	(184,121)	158,407	(212,694)	(33,118)
	(298,392)	27,378	(593,591)	(461,977)
Financing Activities				
Share subscriptions	125,433	74,374	125,433	220,947
Issuance of common shares	875,864	-	2,881,165	648,615
	1,001,297	74,374	3,006,598	869,562
Investing Activities				
Resource property expenditures (net of incidental revenue)	(90,604)	(158,200)	(389,959)	(370,221)
Proceeds on disposal of assets held for sale, net of liabilities	-	-	591,493	-
	(90,604)	(158,200)	201,534	(370,221)
Increase (decrease) in cash during the period	612,301	(56,448)	2,614,541	37,364
Cash, beginning of the period	2,282,816	157,735	280,576	63,923
Cash, end of the period	$ 2,895,117	$ 101,287	$ 2,895,117	$ 101,287
Supplemental disclosure of cash flow information;				
Cash paid for:				
Interest	$ -	$ -	$ -	$ -
Income taxes	$ -	$ -	$ -	$ -

Non-cash Transactions – Note 8

ERIN VENTURES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2011
(Unaudited)

Note 1 Nature of Operations and Ability to Continue as a Going Concern

The Company was incorporated under the laws of the Province of Alberta on July 19, 1993 and on May 28, 2001 registered in the Province of British Columbia as an extra-provincial company. The Company's common shares are listed for trading on the TSX Venture Exchange ("TSX").

The Company is in the development stage and is in the process of exploring and developing its resource properties and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of amounts shown for resources properties and related deferred exploration expenditures are dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development of the properties and upon future profitable production or proceeds from the disposition thereof. Managements' plan in this regard is to secure additional funds through future equity financings, which either may not be available or may not be available on reasonable terms.

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization value may be substantially different from carrying value as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At March 31, 2011, the Company had not yet achieved profitable operations, has accumulated losses of $14,452,501 and expects to incur further losses in the development of its business, all of which casts substantial doubt on the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate and maintain future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they become due.

Note 2 Significant Accounting Policies

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 June 30, 2010 audited financial statements. These statements follow the same accounting policies and methods of their application as the Company's audited June 30, 2010 financial statements.

Note 3 Equipment

	March 31, 2011		
	Cost	Accumulated Amortization	Net
Office equipment	$ 8,390	$ 7,743	$ 647
Computer equipment	25,008	23,382	1,626
	$ 33,398	$ 31,125	$ 2,273

	June 30, 2010		
	Cost	Accumulated Amortization	Net
Office equipment	$ 8,390	$ 7,721	$ 669
Computer equipment	25,009	22,787	2,222
	$ 33,399	$ 30,508	$ 2,891

Note 4 Resource Properties

	USA	Serbia	Panama	Canada	Total
Balance, June 30, 2010	$ 1,070,200	$ 193,048	$ 161,300	$ 9,824	$ 1,434,372
Acquisition costs					
Cash	24,785	-	59,112	205,000	288,897
Options and warrants	38,775	-	-	133,200	171,975
Deferred exploration costs					
Administration and rent	39,000	31,267	-	-	70,267
Advances	3,239	20,000	-	-	23,239
Consulting	-	40,750	30,000	24,000	94,750
Geological consulting	61,289	62,872	96,808	9,900	230,869
	1,237,288	347,937	347,220	381,924	2,314,369
Less: written off	-	-	(347,220)	-	(347,220)
Balance, March 31, 2011	$ 1,237,288	$ 347,937	$ -	$ 381,924	$ 1,967,149

Note 4 Resource Properties (continued)

Piskanja Property, Serbia

The Company has entered in to a binding agreement with the Serbian-state-owned mining company, JP PEU, for the joint development of the Piskanja boron deposit, located in Serbia as follows:

1. The Company's wholly owned Serbian subsidiary, Balkan Gold doo (“Balkan”), will apply for an exclusive exploration licence (obtained) on the Piskanja property and conduct a geological study on the deposit. If results are positive, Balkan will then compose a feasibility study for mine development. Balkan is responsible for 100 per cent of the costs related to these studies and retains 100-per-cent ownership at this stage.

2. When the feasibility study is complete, Balkan and JP PEU will form a joint venture company that will apply for an exploitation licence. However, in the event that JP PEU's corporate structure does not allow for it to enter into this joint venture (as is currently the case), Balkan will retain the right to apply for the exploitation licence on its own and retain 100-per-cent interest in the project.

3. Ownership in the joint venture company will be directly proportional to the value of the assets contributed by each party. Balkan will be responsible for providing all the financing required to develop the mine and ore-processing facilities. JP PEU will contribute certain existing infrastructure assets in its possession (such as a power substation, access roads, rail spur, office and maintenance buildings in strategic proximity to the property) and historical research data from previous exploration programs at Piskanja. The determination of the assets to be contributed by JP PEU to the joint venture will be at the sole discretion of Balkan. These assets will be contributed at their established fair market value.

4. An official determination of percentage ownership will occur at the completion of the mine development and be based upon the amount that has been actually spent by Balkan on exploration and mine development and the fair market value of the assets contributed by JP PEU.

5. Each party will have representation on the board of directors of the joint venture company on a basis that reflects its pro rata ownership of the joint venture company. This joint venture agreement between the Company and JP PEU has no direct bearing on the Company's continuing $15-million (U.S.) legal action against EPS, the national power corporation of Serbia, regarding alleged breaches by EPS in the former joint venture agreement it held with Erin regarding the development of the Piskanja property.

Note 5 Assets Held for Sale

Ceibo Chico Property, Belize

During the nine months ended March 31, 2011 the Company completed the sale of its undivided right, title and interest together with related assets of the Ceibo Chico property as follows:

1. A $50,000 non-refundable deposit payable to the Company within two weeks of completion of due diligence (received);

2. An additional $700,000 cash payment is due to the Company upon closing (received);

3. The Company retains a 90% interest in a 3 per-cent NSR on any hard rock production. Subsequent to March 31, 2011, the Company agreed to purchase the remaining 10% interest in the NSR for US$45,000 (paid subsequently). The buyer may purchase the NSR from the Company for $1-million per point, or $3-million in total;

4. The buyer agrees to spend $350,000 on exploration by the third anniversary of the agreement or the property reverts back to the Company;

Assets disposed of in the transaction includes the following at June 30, 2010:

	June 30, 2010
Mining equipment	$ 399,429
Vehicle	1,287
Mineral property	350,000
	$ 750,716

The Company settled amounts payable totaling $158,507 consisting of $94,757 payable in relation to the property, and a finder's fee of $63,750.

Note 6 Share Capital

a) Authorized:

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

b) Issued common shares:

		Number	Amount	Contributed Surplus
Balance, June 30, 2009		90,043,676	$ 13,278,420	$ 597,550
Stock-based compensation		-	-	52,780
For services		500,000	37,000	-
Issued for cash:				
Pursuant to private placements				
	– at $0.035	6,300,000	211,500	-
	– at $0.05	12,000,000	600,000	-
	– at $0.08	2,625,000	210,000	-
	– at $0.07	5,085,500	355,985	-
Exercise of warrants	– at $0.075	3,119,300	233,948	-
Less: share issue costs		-	(64,528)	-
Shares issued for debt settlement		840,000	67,200	-
Balance, June 30, 2010		120,513,476	$ 14,929,524	$ 650,330
Stock-based compensation		-	-	231,420
Issued for mineral properties:				
Units		1,500,000	180,000	133,200
Options		-	-	38,775
Issued for cash:				
Exercise of warrants	– at $0.075	750,000	56,250	-
Exercise of warrants	– at $0.10	8,410,000	841,000	-
Exercise of options	– at $0.10	330,000	33,000	(38,775)
Private Placements	– at $0.10	22,500,000	2,250,000	-
Less: share issue costs		-	(224,835)	-
For services		214,286	15,000	-
Balance, March 31, 2011		154,217,762	$ 18,079,939	$ 1,014,950

During the nine months ended March 31, 2011 the Company issued 22,500,000 units at $0.10 per unit for private placements. Each unit consisted of one common share and one share purchase warrant. For 16,500,000 warrants, each warrant entitles the holder to purchase one common share at $0.15 per share until December 2, 2011 and at $0.25 per share until December 2, 2012. For 6,000,000 warrants, each warrant entitles the holder to purchase one common share at $0.15 per share until January 7, 2012 and at $0.25 per share until January 7, 2013. All of the proceeds have been allocated to shares issued and none to the warrants.

Note 6 Share Capital (continued)

b) Issued common shares: – (continued)

During the nine months ended March 31, 2011 the Company issued 1,500,000 units for mineral property option payments. Each unit consisted of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at $0.10 per share until September 21, 2012. The shares were valued at $180,000 based on the market price of the shares on the date issued, and the warrants were valued at $133,200 using the Black-Scholes option pricing model to estimate the fair value of the warrants using the following assumptions:

Dividend yield	Nil
Annualized volatility	150%
Risk-free interest rate	1.00%
Expected life	2 years

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. The aggregate number of options are restricted to 10% of the total common shares issued and outstanding, and the number of options to any individual is restricted to 5% of the total common shares issued and outstanding, unless that individual is a consultant, in which case the number is restricted to 2%. The options may not be assigned nor transferred, and can have a term of no more than 5 years. The options vest at the discretion of the directors.

Note 6 Share Capital (continued)

c) Commitments: – (continued)

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

	Nine months ended March 31, 2010		2009	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Outstanding at beginning of period	4,150,000	$0.14	4,280,000	$0.14
Expired	(500,000)	$0.10	(830,000)	$0.14
Granted	2,430,000	$0.15	500,000	$0.10
Options outstanding at end of period	6,080,000	$0.14	3,950,000	$0.13
Options exercisable at end of period	6,080,000	$0.14	3,950,000	$0.13

At March 31, 2011, the Company has 6,080,000 share purchase options outstanding entitling the holder thereof the right to purchase one common share for each option held as follows:

Number of Options	Exercise Price	Expiry Date
600,000	$0.10	July 25, 2011
300,000	$0.135	September 12, 2011
200,000	$0.10	December 16, 2011
100,000	$0.15	February 16, 2012
100,000	$0.30	February 16, 2012
300,000	$0.10	June 30, 2012
1,750,000	$0.15	October 15, 2012
300,000	$0.15	January 1, 2013
330,000	$0.10	September 16, 2013
2,100,000	$0.16	December 7, 2015
6,080,000		

The value of the stock-based compensation during the nine months ended March 31, 2011 was $270,195 (2009: $26,100) of which $231,420 (2009: $26,100) is included in stock-based compensation expense to directors and officers, $nil (2009: $nil) is included in consulting fees, and $38,775 (2009: $nil) is included in resource property acquisition costs. 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:

Note 6 Share Capital (continued)

c) Commitments: – (continued)

	2011	2010
Dividend yield	Nil	Nil
Annualized volatility	125-150%	248%- 250%
Risk-free interest rate	1.00%	0.28% -0. 30%
Expected life	1-5 years	1-3 years

During the three months March 31, 2011, 500,000 share purchase options exercisable at $0.10 expired unexercised.

Share Purchase Warrants

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

	Nine months ended March 31, 2011	
	Shares	Weighted Average Exercise Price
Outstanding at beginning of period	37,137,527	$0.12
Issued	24,000,000	$0.15
Expired	(10,927,027)	$0.18
Exercised	(9,160,000)	$0.10
Outstanding at end of period	41,050,500	$0.15

At March 31, 2011, the Company has 41,050,500 common share purchase warrants outstanding entitling the holders thereof the right to purchase one common share for each warrant held as follows:

Number of Warrants	Exercise Price	Expiry Date
6,500,000	$0.15	May 15, 2011
2,840,000	$0.20	December 2, 2010/2011
2,625,000	$0.15	May 7, 2012
5,085,500	$0.10/$0.20	June 2, 2011/2012
1,500,000	$0.10	September 15, 2012
16,500,000	$0.15/$0.25	December 2, 2011/2012
6,000,000	$0.15/$0.25	January 7, 2012/2013
41,050,500		

Note 7 Related Party Transactions

The Company incurred the following costs charged by directors of the Company and companies controlled by Directors of the Company:

	Nine months ended March 31, 2010	Nine months ended March 31, 2009
Resource property costs		
Geological consulting	$ 6,075	$ 23,838
Administration and rent	39,000	21,000
Acquisition costs	38,775	-
Office and miscellaneous	45,000	30,000
Management fees	117,000	72,000
Consulting fees	-	12,000
Investor relations fees	33,000	30,000
Rent	4,500	9,000
Recovery of advances receivable	(4,500)	(3,000)
Travel and promotion	2,250	1,500
	$ 281,100	$ 196,338

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

As at March 31, 2011 accounts payable includes $32,526 (June 30, 2010: $149,641) due to directors of the Company and companies with common directors. This amount is comprised of unpaid geological fees, consulting fees, office costs, royalties and travel costs. All amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

Note 8 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 transactions have been excluded from the statement of cash flows:

During the nine months ended March 31, 2011, the Company:

- issued 1,500,000 common shares valued at $180,000 with respect to resource property acquisition costs;
- issued 1,500,000 warrants valued at $133,200 with respect to resource property acquisition costs;
- granted 2,430,000 stock options valued at $38,775 with respect to resource property costs and at $231,420 with respect to stock-based compensation;
- recorded accounts payable of $7,500 with respect to resource property costs.

During the nine months ended March 31, 2009, the Company:

- issued 300,000 common shares valued at $21,000 for one year of facilities rental for a resource property.
- recorded accounts payable of $18,538 in respect to resource property costs.

Note 9 Financial Instruments

The fair value of the financial instruments approximates their carrying value as they are short term in nature.

Financial Instrument Risk Exposure and Risk Management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management process. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. The types of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

The Company is primarily exposed to credit risk on its bank accounts. Credit risk exposure is limited by placing its cash with high-credit quality financial institutions.

Liquidity Risk

The Company ensures that there is sufficient capital in order to meet short term business requirements, after taking into account the Company's holdings of cash. The Company believes that these sources will be sufficient to cover the expected short and long term cash requirements.

Note 9 Financial Instruments – cont'd

Market Risk

The significant market risk exposures to which the Company is exposed are foreign exchange risk, interest rate risk, and commodity price risk.

The Company has operations in Canada, the United States Serbia and Belize subject to foreign currency fluctuations. The Company's operating expenses are incurred in Canadian dollars, United States dollars ("US dollars"), Serbian dinars and Belize dollars, and the fluctuation of the Canadian dollar in relation to these other currencies will have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks.

Financial assets and liabilities denominated in currencies other than the Canadian dollar are as follows:

	March 31, 2011	
	Financial Assets	Financial Liabilities
US dollar	$ 2	$ 29,074

Based on the above net exposures at March 31, 2011, and assuming that all other variables remain constant a 10% appreciation or depreciation of the Canadian dollar against the U.S. dollar would result in an increase/decrease of $2,907 in the Company's loss from operations.

Interest Rate Risk

As at March 31, 2011, the Company does not have any interest bearing financial instruments and accordingly the Company is not exposed to interest rate risks.

Note 10 Capital Disclosures

The Company was formed for the purpose of acquiring exploration and development stage natural resource properties. The directors determine the Company's capital structure and make adjustments to it based on funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The directors have not established quantitative return on capital criteria for capital management.

Note 10 Capital Disclosures – cont'd

The Company is dependent upon incidental sales of gold from mining operations and external financing to fund future exploration programs and its administrative costs. The Company will spend existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and to seek to acquire an interest in additional properties if management feels there is sufficient geologic or economic potential provided it has adequate financial resources to do so.

The directors review the Company's capital management approach on an ongoing basis and believe that this approach, given the relative size of the Company, is reasonable. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company considers the items included on the balance sheet in shareholders' equity as capital. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through private placements, sell assets to reduce debt or return capital to shareholders. The Company is not subject to externally imposed capital requirements.

Note 11 Segmented Information

Assets by geographic segment, at cost:

	March 31, 2011	June 30, 2010
Belize	$ -	$ 750,716
Canada	3,310,781	322,754
Panama	-	161,299
Serbia	347,937	193,048
United States	1,237,288	1,070,200
	$ 4,896,006	$ 2,498,017

Note 12 Subsequent Event

Subsequent to March 31, 2011:

The Company agreed to issue 193,548 common shares to settle $30,000 of consulting fees incurred with respect to the Santa Rosa property. This agreement is subject to regulatory approval.