

**UNIVERSAL URANIUM LTD.**  
**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**June 30, 2007**

NOTICE TO READER

INTERIM CONSOLIDATED BALANCE SHEETS

INTERIM CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited interim consolidated financial statement for the period ended June 30, 2007.

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### NOTICE TO READER

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The interim consolidated balance sheet as at June 30, 2007 and the interim consolidated statements of loss and deficit, and the interim consolidated statement of cash flows for the nine-month period then ended are the responsibility of the Company's management.

These interim consolidated financial statements have not been reviewed on behalf of the shareholders by the independent external auditors of the Company, De Visser Gray.

The interim consolidated financial statements have been prepared by management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these financial statements in accordance with Canadian Generally Accepted Accounting Principles.

*/s/ Clive Massey*

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Clive Massey, Director  
Vancouver, BC Canada  
August 8, 2007

*/s/ Steve Chan*

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Steve Chan, Director  
Vancouver, BC Canada  
August 8, 2007

**UNIVERSAL URANIUM LTD.  
INTERIM CONSOLIDATED BALANCE SHEETS**

<b>June</b>	<b>September</b>
<b>2007</b>	<b>2006</b>
<b>\$</b>	<b>\$</b>

**A S S E T S**

**Current assets**

Cash and deposits	2,633,086	3,447,508
Amounts receivable	23,435	15,969
Security deposits	34,670	34,670
Marketable securities (Note 4)	228,000	-
Prepaid expense	25,410	29,062
	<b>2,944,601</b>	<b>3,527,209</b>
 <b>Equipment</b> (Note 3)	 <b>51,155</b>	 <b>50,482</b>
 <b>Mineral properties</b> (Note 4)	 <b>9,869,179</b>	 <b>5,979,816</b>
 <b>Mineral property deposit</b>	 <b>135,674</b>	 <b>-</b>
 <b>Reclamation bond</b> (Note 4)	 <b>114,455</b>	 <b>99,948</b>
	<b>13,115,064</b>	<b>9,657,455</b>

**L I A B I L I T I E S**

**Current liabilities**

Accounts payable and accrued liabilities	<b>98,350</b>	<b>359,979</b>
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**S H A R E H O L D E R S ' E Q U I T Y**

Share capital (Note 5)	18,635,619	14,396,515
Shares Subscribed	15,000	-
Contributed surplus (Note 5)	3,160,578	1,606,078
Deficit	(8,794,483)	(6,705,117)
	<b>13,016,714</b>	<b>9,297,476</b>
	<b>13,115,064</b>	<b>9,657,455</b>

Continuing operations (Note 1)  
Subsequent events (Note 6)

**APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:**

(sgd) "*Clive Massey*", Director \_\_\_\_\_

(sgd) "*Steven Chan*", Director \_\_\_\_\_

The accompanying notes are an integral part of these financial statements.

**UNIVERSAL URANIUM LTD.**  
**INTERIM CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT**  
**For the Nine Months Ended June 30, 2007**

	3 Months		9 Months	
	30-June-07	30-June-06	30-June-07	30-June-06
General and administrative expenses:				
Amortization	3,715	3,359	10,401	8,104
Bank charges	383	240	919	1,499
Consulting fees	30,000	44,357	74,500	99,586
Corporate and administration fees	2,755	6,959	9,612	11,577
Directors fees	10,000	-	10,000	12,000
Filing and transfer agent fees	3,868	18,445	32,568	73,859
Legal & accounting fees	26,066	17,835	70,547	36,164
Management fees	26,055	8,000	83,376	56,000
Office rent, services and supplies	13,313	16,337	49,977	42,682
Property investigation	-	-	-	3,148
Salaries and Benefits	26,306	52,033	75,615	77,418
Shareholders' communication, promotion & travel	50,942	189,746	218,436	303,570
	<b>(193,403)</b>	(357,311)	<b>(635,951)</b>	(725,607)
Other (expenses):				
Interest & Investment income	7,109	26,157	31,525	30,551
Foreign exchange gain (loss)	-	(10)	(490)	(216)
Loss before other items	<b>(186,294)</b>	(331,164)	<b>(604,916)</b>	(695,272)
Other items:				
Stock-based compensation	<b>(25,750)</b>	(313,400)	<b>(1,484,450)</b>	(421,500)
Net loss for the period	<b>(212,044)</b>	(644,564)	<b>(2,089,366)</b>	(1,116,772)
Deficit - beginning of the period	<b>(8,582,439)</b>	(5,828,329)	<b>(6,705,117)</b>	(5,356,121)
Deficit - end of the period	<b>(8,794,483)</b>	(6,472,893)	<b>(8,794,483)</b>	(6,472,893)
Loss per share			<b>(0.06)</b>	(0.04)
Weighted average – number of shares outstanding			<b>37,605,573</b>	25,701,503

The accompanying notes are an integral part of these financial statements.

**UNIVERSAL URANIUM LTD.**  
**INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the Nine Months Ended June 30, 2007**

	3 Months		9 Months	
	30-June-07	30-June-06	30-June-07	30-June-06
Cash provided by (used for):				
<b>Operating Activities</b>				
Net loss for the year	(212,044)	(644,564)	(2,089,366)	(1,116,772)
Adjustment which do not affect cash:				
Amortization	3,715	3,359	10,401	8,104
Shares receive per property agreement	(228,000)		(228,000)	
Stock-based compensation	25,750	313,400	1,484,450	421,500
	<u>(410,579)</u>	<u>(327,805)</u>	<u>(822,515)</u>	<u>(687,168)</u>
<b>Net changes in non-cash working capital items:</b>				
Amounts receivable	10,997	(9,766)	(7,466)	(9,716)
Deposits	-	-	-	(11,500)
Prepaid expense	(7,045)	93,532	3,652	(30,676)
Accounts payable	(16,047)	158,761	(261,629)	229,729
	<u>(422,674)</u>	<u>(85,278)</u>	<u>(1,087,958)</u>	<u>(509,331)</u>
<b>Financing Activities</b>				
Issue of share capital	371,229	2,227,951	3,240,184	7,606,668
Share issue costs	(2,788)	-	(197,477)	-
Repayment (advance) of related party loan	-	-	-	12,729
	<u>368,441</u>	<u>2,227,951</u>	<u>3,042,707</u>	<u>7,619,397</u>
<b>Investing Activities</b>				
Mineral property costs	(45,040)	(2,323,754)	(2,609,393)	(2,955,911)
Property deposits	-	-	(134,197)	-
Reclamation bond	(14,507)	-	(14,507)	(99,948)
Purchase of capital assets	(2,424)	(26,640)	(11,074)	(29,102)
	<u>(61,971)</u>	<u>(2,350,394)</u>	<u>(2,769,171)</u>	<u>(3,084,961)</u>
Increase (decrease) in cash	(116,204)	(207,721)	(814,422)	4,025,105
Cash - beginning of period	2,749,290	4,526,355	3,447,508	293,529
Cash - end of period	<u>2,633,086</u>	<u>4,318,634</u>	<u>2,633,086</u>	<u>4,318,634</u>
Interest earned			31,525	30,551
Supplementary disclosures:				
Interest & Investment income received			31,525	30,551

The accompanying notes are an integral part of these financial statements.

**UNIVERSAL URANIUM LTD.**  
Interim Schedule of Deferred Mineral Property Costs

	Costs incurred during the year ended September 30, 2006 \$	Additions during the current period \$	Deferred balance, June 30, 2007 \$
<b>Lisbon Valley</b>			
Acquisition costs	1,885,572	110,275	1,995,847
Accommodations	-	8,038	8,038
Exploration costs			
Assays and sampling	802	2,631	3,433
Claims and staking maintenance	100,015	47,418	147,433
Consultants	101,693	46,767	148,460
Drilling	1,036,617	648,600	1,685,217
Field work	68,666	28,314	96,980
Field office and administration	25,133	11,960	37,093
Geophysical	38,460	27,426	65,886
Legal	60,105	-	60,105
Maps and reports	9,485	1,471	10,956
Reclamation costs	30,512	26,915	57,427
Site visits	32,548	2,078	34,626
Vehicle rental	29,393	7,362	36,755
	3,419,001	969,255	4,388,256
<b>Silver Spruce (Labrador)</b>			
Acquisition costs	45,000	-	45,000
Exploration costs			
Claims staking and maintenance	150,431	18,000	168,431
Consulting - Geology	-	171,258	171,258
Contract magnetics	274,864	10,042	284,906
Drafting and mapping	5,355	1,878	7,233
Drilling	-	666,854	666,854
Field work and supplies	52,188	364,944	417,132
Field administration	5,111	33,830	38,941
Legal	-	3,738	3,738
SSR – management fees	53,876	108,001	161,877
Radiometrics	278,980	11,842	290,822
Transport (mobilization)	11,965	1,544	13,509
	877,770	1,391,931	2,269,701
<b>Artillery (Mohave)</b>			
Acquisition costs	1,156,585	833,995	1,990,580
Exploration costs			
Claims staking and recording	23,294	7,258	30,552
Consultants	6,302	72,058	78,360
Geotechnicians	-	6,209	6,209
Drilling	-	11,255	11,255
Equipment & tools	-	27,908	27,908
Field administration	7,179	40,555	47,734
Legal	39,459	1,671	41,130
Road construction	-	24,618	24,618
Site visits	-	8,863	8,863
	1,232,819	1,034,390	2,267,209

The accompanying notes are an integral part of these financial statements.

**UNIVERSAL URANIUM LTD.**  
Interim Schedule of Deferred Mineral Property Costs

	<b>Costs incurred during the year ended September 30, 2006 \$</b>	<b>Additions during the current period \$</b>	<b>Deferred balance, June 30, 2007 \$</b>
<b>Jamestown/Marshall Pass</b>			
Acquisition costs			
- Cash	22,600	31,303	53,903
- Shares (67,000 @ \$0.41)	-	27,470	27,470
	<u>22,600</u>	<u>58,773</u>	<u>81,373</u>
Recoveries from joint venture			
- Cash	-	(28,670)	(28,670)
- Shares (1,200,000 @ \$0.19))	-	(228,000)	(228,000)
	<u>-</u>	<u>(256,670)</u>	<u>(256,670)</u>
Exploration costs			
Claims staking and maintenance	21,701	18	21,719
Consultants	2,866	754	3,620
Drafting and mapping	953	-	953
Field administration	412	2,276	2,688
Field work and supplies	12,794	-	12,794
	<u>61,326</u>	<u>(194,849)</u>	<u>(133,523)</u>
<b>Tripple Uranium properties</b>			
Acquisition	-	652,500	652,500
Advances	56,111	-	56,111
Exploration costs			
Air Charters	42,532		42,532
Claims and maintenance	98,172		98,172
Consultants	57,113	24,000	81,113
Equipments and tools	14,151		14,151
Field administration	9,667	12,136	21,803
Field work and supplies	25,034		25,034
Site visits	23,831		23,831
Sub-contracts	31,179		31,179
Wages and labour	31,110		31,110
	<u>388,900</u>	<u>688,636</u>	<u>1,077,536</u>
<b>TOTAL MINERAL PROPERTY COSTS</b>	<b><u>5,979,816</u></b>	<b><u>3,889,363</u></b>	<b><u>9,869,179</u></b>

The accompanying notes are an integral part of these financial statements.

**UNIVERSAL URANIUM LTD.**

Notes to Interim Consolidated Financial Statements

June 30, 2007

(Unaudited)

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**UNIVERSAL URANIUM LTD.**  
**Notes to the Interim Financial Statements**  
**June 30, 2007****1. NATURE AND CONTINUANCE OF OPERATIONS**

The Company is incorporated in the Province of British Columbia and its principal business activity is the acquisition and exploration of resource properties. The Company is currently in the exploration stage of developing its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable.

These financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and has an accumulated operating deficit of \$8,794,483 at June 30, 2007 (\$6,705,117 – September 30, 2006). The ability of the Company to continue as a going-concern depends upon its capacity in the near-term to raise additional equity financing and ultimately to develop profitable commercial operations.

There can be no assurance that the company will be able to continue to raise funds in the future in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the balance sheet.

**2. FINANCIAL STATEMENT PRESENTATION**

These interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles on a consolidated basis and include the accounts of the Company and its wholly-owned American subsidiary, Universal Uranium USA Corporation. All significant inter-company balances and transactions have been eliminated upon consolidation. These interim financial statements do not include all the information and footnotes required by generally accepted accounting principles for annual financial statements. Therefore readers are advised to refer to the Company's annual audited financial statements for the year ended September 30, 2006.

**3. EQUIPMENT**

	3 <sup>rd</sup> Quarter ended June 30, 2007		
	Cost	Accumulated Amortization	Net
	\$	\$	\$
Computer equipment	35,278	16,158	19,120
Office equipment	47,834	16,754	31,080
Leasehold improvements	2,114	1,159	955
	<u>85,226</u>	<u>30,356</u>	<u>51,155</u>

**UNIVERSAL URANIUM LTD.**

Notes to Interim Consolidated Financial Statements

June 30, 2007

(Unaudited)

**3. EQUIPMENT (continued)**

	Year ended September 30, 2006		
	Cost	Accumulated	Net
	\$	Amortization \$	\$
Computer equipment	28,557	12,772	15,785
Office equipment	46,694	13,103	33,591
Leasehold improvements	2,114	948	1,166
	77,365	26,823	50,542

**4. MINERAL PROPERTIES****Lisbon Valley****San Juan County, Utah, USA**

The Company has an option to acquire a 100% interest in two mining lease agreements comprising 302 unpatented lode mining claims, which will be acquired by the reimbursement of \$156,735 in previous acquisition costs (paid), the issue of 3,500,000 shares (issued) and the payment of US\$400,000 (50,000 paid) prior to production and the requirement to pay a minimum of US\$100,000 per year once production is attained, which is to be credited against sliding scale royalty based upon the value of uranium recovered. Annual fees of approximately US\$40,000 are also due to government agencies.

A reclamation bond of \$99,948 (US\$84,000) has been posted with the State of Utah.

**Silver Spruce Properties, Labrador, Canada**

On January 18, 2006 the Company optioned from Silver Spruce Resources (SSE) the right to earn a majority interest in a 4,963 claim property (approximately 124,000 hectares / 300,000 acres), located in the Central Mineral Belt (CMB) of Labrador, Canada. Under the terms of the agreement, Universal can earn a 60-per-cent interest by spending \$2-million on exploration over a three-year period, with a minimum of \$500,000 to be incurred in the first year (spent) and \$750,000 in each of the following two years. During the earn-in period SSE will be the operator.

The Company paid a \$45,000 finder's fee to an arms-length third party.

The Company announced that it had completed its 60 per-cent earn-in on the 6517 claims in the Labrador Central Mineral Belt, held by Silver Spruce Resources. Under the terms of the Property Acquisition Agreement dated February 6, 2006, Universal Uranium has now completed its earn-in by spending an aggregate total of \$2,000,000 dollars. As a result, the company now owns 60% of the J/V, with Silver Spruce owning the remaining 40%

## UNIVERSAL URANIUM LTD.

### Notes to Interim Consolidated Financial Statements

June 30, 2007

(Unaudited)

#### 4. MINERAL PROPERTIES *(continued)*

##### Artillery Peak

##### Mohave County, Arizona, USA

On February 14, 2006, the Company announced that it had acquired an option to purchase a 100% interest in 36 unpatented lode mining claims. On January 18, 2007, the terms of the agreement were amended as follows:

Date	Cash \$	Shares	Exploration Commitment \$
Execution	100,000 (paid)	150,000 (issued)	
April 18, 2006	150,000 (paid)	500,000 (issued)	
February 20, 2007	200,000 (paid)	500,000 (issued)	-
February 28, 2008	250,000	850,000	US\$ 400,000
February 28, 2009	600,000	1,000,000	US\$ 800,000
February 28, 2010			US\$ 800,000
February 28, 2011			US\$ 1,000,000
	<u>1,300,000</u>	<u>3,000,000</u>	<u>US\$ 3,000,000</u>

The Company is also to issue 1,000,000 non-transferable share purchase warrants to purchase 1,000,000 common shares at \$0.88 per share prior to February 20, 2009 (issued) and to pay a royalty of 3% on production, although the Company retains an option to reacquire 1% of the royalty for \$1,500,000. The Company has also subsequently staked an additional 36 contiguous claims comprising 1,647 acres.

A reclamation bond of \$12,400 (US\$14,507) has been posted with the State of Arizona.

##### Jamestown & Marshall Pass

##### Sacuache and Boulder County, Colorado, USA

On September 1, 2006, the Company acquired an option to purchase a 100% interest in 88 unpatented lode mining claims by the initial payment of US\$30,000 (paid) and issue of 67,000 shares (issued). Under the option, the Company will also pay US\$30,000 upon receipt of a drilling permit and issue of 66,500 common shares within six months. Annual property payments of US\$10,000 are due on each anniversary date of the agreement for the first five year period, with annual US\$40,000 amounts payable between the sixth and tenth anniversary dates. The Company is also required to incur US\$400,000 in exploration work on the property within three years.

On December 19, 2006, the Company optioned a 60% interest in this property in consideration for cash payments of \$65,000 over three years, the issuance of 1.2 million common shares of the optionee company and the completion of US\$1.1 million of exploration work within three years of the date of the option.

As at June 30, 2007, the market value of the 1.2 million common shares was \$0.19 per share (US\$0.18). The Company recorded the fair market value of \$228,000 as marketable securities.

## UNIVERSAL URANIUM LTD.

Notes to Interim Consolidated Financial Statements

June 30, 2007

(Unaudited)

### 4. MINERAL PROPERTIES *(continued)*

#### **Tripple Uranium properties, Central Mineral Belt Labrador, Canada**

On September 13, 2006, the Company acquired an option to earn a 60% interest in 2,727 claims (comprising approximately 165,000 acres) by initially reimbursing 60% of staking costs incurred of \$98,172 (paid), issuing 250,000 common shares (issued), and spending a total of \$1,050,000 on exploration over a three-year period as follows: \$200,000 the first year (incurred), \$350,000 the second year and \$500,000 in the third year. In connection with this agreement the Company also must issue an additional 350,000 shares within ten days after the company's shares trade above \$0.75 for twenty consecutive trading days (issued).

### 5. SHARE CAPITAL

a) Authorized: Unlimited number of common shares

b) Issued and outstanding:

	Number of Shares	\$
<b>Balance, beginning of September 30, 2005</b>	20,037,932	7,027,925
Issued for cash:		
Private placements	11,037,499	7,572,875
Options exercised	175,000	43,000
Warrants exercised	97,443	58,994
Issued for mineral properties	650,000	525,000
Finder's fee	146,210	93,575
Financing issue costs		
Agents' commissions	-	(515,542)
Broker warrants	-	(238,078)
Finders' fees	5,409	(16,632)
Finance fees	25,000	(45,000)
Legal fees & other costs	-	(109,602)
<b>Balance, end of September 30, 2006</b>	<b>32,174,493</b>	<b>14,396,515</b>

**UNIVERSAL URANIUM LTD.**

Notes to Interim Consolidated Financial Statements

June 30, 2007

(Unaudited)

**5. SHARE CAPITAL (continued)**

## b) Issued and outstanding (continued):

	Number of Shares	\$
Issued for cash:		
Private placements	2,700,000	2,025,000
Options exercised	635,000	258,250
Warrants exercised	634,167	634,167
Agents' options exercised	341,156	255,867
Agents' option warrants exercised	66,900	66,900
Issued for mineral properties		
Augustus Ventures (Jamestown/Marshall)	67,000	27,470
Tripple Uranium Resources	600,000	652,500
Artillery Peak	800,000	600,000
Financing issue costs		
Agents' commissions	-	(151,875)
Finance fees	25,000	(18,750)
Financing costs	-	(20,101)
Legal fees and other costs	-	(39,024)
Fair value of agents' options granted	-	(51,300)
<b>Balance, end of June 30, 2007</b>	<b>38,043,716</b>	<b>18,635,619</b>

## c) Stock options:

Stock options are granted at an exercise price set in accordance with regulatory policies, and may not be granted at an exercise price of less than \$0.10 per share. Stock options have a maximum term of five years.

A summary of the Company's outstanding stock options as at June 30, 2007 and the changes during the period are presented below:

	Number	Weighted average price
Outstanding at September 30, 2006:	2,868,500	\$0.47
Options granted	1,160,000	\$1.42
Options exercised	(635,000)	\$0.46
Options expired	(153,500)	\$0.67
<b>Outstanding at June 30, 2007</b>	<b>3,240,000</b>	<b>\$0.81</b>

**UNIVERSAL URANIUM LTD.**

Notes to Interim Consolidated Financial Statements

June 30, 2007

(Unaudited)

**5. SHARE CAPITAL (continued)**

## c) Stock options (continued):

During the period, the Company granted stock options to directors and consultants of the company. The fair value of each option granted is estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions and resulting values:

	<b>24-May-07</b>	<b>19-Mar-07</b>	<b>05-Feb-07</b>	<b>15-Nov-06</b>
Stock options granted	25,000	835,000	100,000	200,000
Exercise price	\$1.11	\$1.77	\$0.48	\$0.46
Assumptions:				
Expected life	5 years	5 years	5 years	5 years
Expected dividend yield	0%	0%	0%	0%
Risk-free interest rate	4.5%	4.5%	4.5%	4.5%
Expected volatility	153.74%	149.29%	99.37%	91.60%
<b>Results:</b>				
<b>Fair value of each option granted</b>	<b>\$1.03</b>	<b>\$1.62</b>	<b>\$0.36</b>	<b>\$0.35</b>
<b>Stock-based compensation expense</b>	<b>\$25,750</b>	<b>\$1,352,700</b>	<b>\$36,000</b>	<b>\$70,000</b>

As at June 30 2007, there were 3,240,000 stock options outstanding and exercisable entitling the holders thereof the right to purchase one common share for each option held as follows:

Number of Shares	Exercise Price	Expiry Date
630,000	\$ 0.20	21-Dec-09
675,000	\$ 0.52	21-Jun-10
160,000	\$ 0.71	16-Jan-11
125,000	\$ 0.67	08-May-11
440,000	\$ 0.67	13-Jun-11
100,000	\$0.48	31-Jul-11
150,000	\$0.46	13-Nov-11
100,000	\$0.48	04-Feb-12
835,000	\$1.77	19-Mar-12
25,000	\$1.11	24-May-12
<b>3,240,000</b>		

A summary of the Company's outstanding share purchase warrants and agents' options and warrants as at June 30, 2007 and the changes during the period is presented below:

	Number	Weighted average price
Outstanding at September 30, 2006:	7,799,380	\$0.89
Agents' Options granted	270,000	\$0.75
Share purchase warrants exercised	(634,167)	\$1.00
Share purchase warrants expired	(1,078,758)	\$0.55
Agents' options exercised	(341,156)	\$0.75
Agents' option warrants exercised	(66,900)	\$1.00
<b>Outstanding at June 30, 2007</b>	<b>5,948,399</b>	<b>\$0.95</b>

**UNIVERSAL URANIUM LTD.**

Notes to Interim Consolidated Financial Statements

June 30, 2007

(Unaudited)

**5. SHARE CAPITAL (continued)**

## d) Warrants:

As at June 30, 2007, there were 5,948,399 share purchase warrants and agents' options and warrants as follows:

Number of Shares	Exercise Price	Expiry Date
Share purchase warrants		
1,000,000	\$ 0.88	01-Mar-08
2,755,332	\$ 1.00	06-Mar-08
971,750	\$ 1.00	28-Apr-08
<b>4,747,082</b>		
Agents' options/warrants		
251,081	\$ 0.75	14-Dec-07
479,989	\$ 0.75	06-Mar-08
326,283	\$ 1.00	06-Mar-08
74,023	\$ 0.75	28-Apr-08
69,941	\$ 1.00	28-Apr-08
<b>1,201,317</b>		
<b>5,948,399</b>		

## e) Contributed Surplus

Contributed surplus, September 31, 2005	\$ 665,500
Changes during 2006	
Non-cash stock-based compensation	452,500
Fair value of vendor warrants allocated to Mohave mineral property	250,000
Fair value of broker warrants issued for private placements	238,078
Contributed surplus, September 31, 2006	1,606,078
Changes during the period	
Non-cash stock-based compensation	1,484,450
Fair value of finance fees issued for private placements	18,750
Fair value of broker options issued for private placements	51,300
<b>Contributed surplus, June 30, 2007</b>	<b>\$ 3,160,578</b>

**6. SUBSEQUENT EVENTS**

On July 20, 2007 Bayswater Uranium Corporation ("BAY") entered into a letter agreement with the Company and Silver Spruce Resources Inc. ("SSE"), whereby BAY has been granted an option to acquire a 50% interest in 34 mineral claims located in the Central Mineral Belt region of Labrador, Newfoundland. The claims are currently held 40% by SSE and 60% by the Company.

Upon acceptance of this agreement by the TSX Venture Exchange (the Approval Date), BAY is obligated to issue 200,000 shares of its common stock (100,000 shares to SSE and 100,000 shares to the Company). In addition, BAY must expend \$100,000 on or before the first anniversary of the Approval Date.