

**Plexmar Resources Inc.**

(an exploration company)

Interim Consolidated Financial Statements

(unaudited)

**September 30, 2007**

**Plexmar Resources Inc.**  
(an exploration company)  
**Consolidated balance sheet**

	September 30 2007	December 31 2006
	\$ (unaudited)	\$ (audited)
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	108 056	3 716 197
Amounts receivable from Escondoro Resources Ltd (note 4)	1 115 903	-
Amounts receivable	268 598	90 023
Prepaid expenses	74 545	43 482
	<u>1 567 102</u>	<u>3 849 702</u>
<b>Commodity taxes receivable</b>	212 253	186 853
<b>Mining properties (note 4)</b>	8 358 733	5 244 586
<b>Property, plant and equipment (note 5)</b>	102 671	8 589
<b>Deposits on the purchase of mining properties</b>	294 450	175 470
<b>Property, plant and equipment held for sale</b>	174 000	174 000
	<u>10 709 209</u>	<u>9 639 200</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	574 938	531 694
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (note 6)	25 871 640	23 705 702
Warrants (note 8)	596 940	637 477
Stock options (note 7)	1 630 008	826 150
Contributed surplus	1 503 795	1 499 894
Deficit	(19 468 112)	(17 561 717)
	<u>10 134 271</u>	<u>9 107 506</u>
	<u>10 709 209</u>	<u>9 639 200</u>

**Incorporation, nature of activities and going concern (note 3)**

**Approved by the Board of Directors**

*(signed) Ken Crema*  
\_\_\_\_\_  
Ken Crema, director

*(signed) Guy Bédard*  
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Guy Bédard, director

The accompanying notes are an integral part of these consolidated interim financial statements

**Plexmar Resources Inc.**

(an exploration company)

Interim Consolidated Statements of Deficits

**For the nine-month period ended September 30, 2007 and 2006**

(unaudited)

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	<b>Three-month period Ended September 30</b>		<b>Nine-month period Ended September 30</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Balance at the beginning</b>	(18 766 127)	(16 574 290)	(17 561 717)	(15 302 049)
Loss	(701 985)	(531 506)	(1 906 395)	(1 255 875)
Share issue expenses	-	-	-	(547 873)
<b>Balance at the end</b>	<b>(19 468 112)</b>	<b>(17 105 796)</b>	<b>(19 468 112)</b>	<b>(17 105 797)</b>

Interim Consolidated Statements of Contributed Surplus

**For the nine-month period ended September 30, 2007 and 2006**

(unaudited)

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	<b>Three-month period Ended September 30</b>		<b>Nine-month period Ended September 30</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Balance at the beginning</b>	1 503 208	1 428 260	1 499 894	511 130
Warrants matured or cancelled during the period	587	-	587	869 584
Stock options matured or cancelled during the period	-	-	3 314	47 546
<b>Balance at the end</b>	<b>1 503 795</b>	<b>1 428 260</b>	<b>1 503 795</b>	<b>1 428 260</b>

The accompanying notes are an integral part of these consolidated interim financial statements

**Plexmar Resources Inc.**

(an exploration company)

Interim consolidated Statements of Earnings

**For the nine-month period ended September 30, 2007 and 2006**

(unaudited)

	<b>Three-month period Ended September 30</b>		<b>Nine-month period Ended September 30</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Revenues</b>				
Interest	1 696	103	2 302	103
Other	(762)	-	470	1 369
	<u>934</u>	<u>103</u>	<u>2 772</u>	<u>1 472</u>
<b>Expenses</b>				
Professional and maintenance fees	14 620	330 306	416 204	707 994
Management fees	52 794	20 833	123 476	118 333
Stock-based compensation costs	299 440	108 177	852 610	207 136
General and administrative	115 136	39 930	333 026	152 330
Travelling	20 431	26 554	109 805	38 066
Depreciation of property, plant and equipment	6 480	1 639	8 742	3 209
Accretion of convertible debenture	-	-	-	17 715
Exchange loss (gain)	194 018	4 170	65 304	12 564
	<u>702 919</u>	<u>531 609</u>	<u>1 909 167</u>	<u>1 257 347</u>
<b>Loss and comprehensive loss for the period</b>	<u>(701 985)</u>	<u>(531 506)</u>	<u>(1 906 395)</u>	<u>(1 255 875)</u>
<b>Basic and diluted loss per share (note 10)</b>	<u>(0,01)</u>	<u>-</u>	<u>(0,01)</u>	<u>(0,01)</u>

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**Plexmar Resources Inc.**

(an exploration company)

Interim consolidated Statements of Cash Flows

**For the nine-month period ended September 30, 2007 and 2006**

(unaudited)

	<b>Three-month period Ended September 30</b>		<b>Nine-month period Ended September 30</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Cash flow from operating activities</b>				
Loss for the period	(701 985)	(531 506)	(1 906 395)	(1 255 875)
Items not affecting cash				
Depreciation of property, plant and equipment	6 480	1 639	8 742	3 209
Accretion of convertible debenture	-	-	-	17 715
Stock-based compensation costs	299 440	108 177	852 610	207 136
	<b>(396 065)</b>	<b>(421 690)</b>	<b>(1 045 043)</b>	<b>(1 027 815)</b>
Change in non-cash working capital items				
Amounts receivable	201 867	(35 862)	89 643	(198 246)
Prepaid expenses	21 881	(9 907)	(31 063)	14 138
Accounts payable and accrued liabilities	198 709	(153 144)	43 244	132 073
Balance of purchase price payable	-	-	-	(132 285)
	<b>422 457</b>	<b>(198 913)</b>	<b>101 824</b>	<b>(184 320)</b>
	<b>26 392</b>	<b>(620 603)</b>	<b>(943 219)</b>	<b>(1 212 135)</b>
<b>Cash flow from financing activities</b>				
Issuance of share capital and warrants	115 180	4 104 787	400 550	7 710 438
Share issue expenses	-	-	-	(547 873)
	<b>115 180</b>	<b>4 104 787</b>	<b>400 550</b>	<b>7 162 565</b>
<b>Cash flow from investing activities</b>				
Variation in commodity taxes receivable	(18 362)	41 668	(25 400)	142 560
Purchase of mining properties and exploration costs	(933 421)	(766 271)	(2 818 969)	(1 198 147)
Additions to property, plant and equipment	(50 227)	-	(102 824)	-
Deposit on the purchase of mining properties	-	-	(118 980)	-
	<b>(1 002 010)</b>	<b>(724 603)</b>	<b>(3 066 173)</b>	<b>(1 055 587)</b>
<b>Net change in cash</b>	<b>(860 438)</b>	<b>2 759 581</b>	<b>(3 608 842)</b>	<b>4 894 843</b>
<b>Cash - Beginning of the period</b>	<b>967 793</b>	<b>2 158 385</b>	<b>3 716 197</b>	<b>23 123</b>
<b>Cash - End of the period</b>	<b>107 355</b>	<b>4 917 966</b>	<b>107 355</b>	<b>4 917 966</b>
<b>Additional information</b>				
Items not affecting cash related to financing and investing activities				
Acquisition of mining properties in consideration of the issuance of shares	-	-	1 680 000	-
Options and warrants transfer to share capital upon exercise	18 176	255 265	85 388	355 263
Interest cashed	1 696	-	2 302	-

The accompanying notes are an integral part of these consolidated interim financial statements

# **Plexmar Resources Inc.**

(an exploration company)

Notes to Interim Consolidated Financial Statements

**September 30, 2007**

(unaudited)

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## **1. INTERIM FINANCIAL INFORMATION**

The financial information for the three and nine-month periods ended September 30, 2007 and 2006 is unaudited and has not been reviewed by the company's auditor. However, in the opinion of management, all adjustments necessary to present fairly the results of these periods have been included. The adjustments made were of normal recurring nature. Interim results may not necessarily be indicative of results anticipated for the year.

The unaudited interim consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles (GAAP), using the same accounting policies as the audited consolidated financial statements for the year ended December 31, 2006 with the exception of the application of new accounting standards as described in note 2 hereunder. All disclosures required for annual statements have not been included in these financial statements. These consolidated financial statements should be read in conjunction with the company's most recent annual consolidated financial statements.

## **2. NEW ACCOUNTING STANDARDS**

On January 1st, 2007 the Company adopted the new following CICA accounting standards: section 1530 *Comprehensive Income*, section 3855 *Financial Instruments - Recognition and Measurement*, section 3865 *Hedges* and 3251 *Equity*.

The implementation of these new accounting standards had no significant impact on the financial statements of the company

### *Future accounting changes*

The CICA published the following new sections that will apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007:

- Section 3862, "Financial Instruments – Disclosures". This section describes the required disclosure to evaluate the significance of financial instruments for the entity's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the entity is exposed and how the entity manages those risks.
- Section 3863, "Financial Instruments – Presentation". This section establishes standards for presentation of financial instruments and non-financial derivatives. It details the presentation of standards described in Section 3861, "Financial Instruments – Disclosure and Presentation".
- Section 1535, "Capital Disclosures". This section establishes standards for disclosing information about an entity's capital and how it is managed. It describes the disclosure of the entity's objectives, policies and processes for managing capital as well as summary quantitative data on the elements included in the management of capital. The section seeks to determine if the entity has complied with capital requirements and if not, the consequences of such non-compliance.

The Corporation has not yet assessed the effect of these new standards on its financial statements.

## **Plexmar Resources Inc.**

(an exploration company)

Notes to Interim Consolidated Financial Statements

**September 30, 2007**

(unaudited)

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### **3. INCORPORATION, NATURE OF ACTIVITIES AND GOING CONCERN**

The company, incorporated under the Canada Business Corporations Act, is in the business of acquiring and exploring mining properties. It has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mining properties is dependent upon the existence of economically recoverable reserves, the ability to obtain necessary financing to complete exploration and development of the company's properties, and upon future profitable production or proceeds from the disposal of properties.

For the year ended December 31, 2006, the company recorded a loss of \$2,065,861. In addition to ongoing working capital requirements, the company must secure sufficient funding to meet its existing commitments for exploration and development programs and general and administration costs.

Management is periodically seeking additional forms of financing through the issuance of new equity instruments, the exercise of existing warrants for the purchase of common shares and the exercise of stock options to continue its activities as a going concern, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Without new funding being available, the company may be unable to continue its operations, and amounts realized for assets may be less than amounts reflected in these financial statements.

Although management has taken steps to verify title to mining properties in which the company has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the company's title. Property title may be subject to unregistered prior agreements and non-compliant with regulatory requirements.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles applicable to a going concern. The application of generally accepted accounting principles on a going concern basis may be inappropriate, since there is a doubt as to the validity of the going concern assumption.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of revenues and expenses and the classification of balance sheet items were the going concern assumption inappropriate, and these adjustments could be material. Management did not take these adjustments into account as it believes in the validity of the going concern assumption.

**Plexmar Resources Inc.**

(an exploration company)

Notes to Interim Consolidated Financial Statements

**September 30, 2007**

(unaudited)

**4. MINING PROPERTIES**

	Undivided interest	Balance as at January 1st 2007	Costs incurred	Mining properties under option	Balance as at September 30 2007
	%	\$	\$	\$	\$
<b>Lucma (Cascajal) (Pérou)</b>					
Mining properties	100	70 947	-	-	70 947
Exploration costs		-	-	-	-
		<u>70 947</u>	<u>-</u>	<u>-</u>	<u>70 947</u>
<b>Marillia I, II &amp; III (Peru)</b>					
Mining properties	100	150 598	-	-	150 598
Exploration costs		8 298	-	-	8 298
		<u>158 896</u>	<u>-</u>	<u>-</u>	<u>158 896</u>
<b>Oro Del Norte I, II &amp; III (Cascajal) (Peru)</b>					
Mining properties	100	374 165	-	-	374 165
Exploration costs		-	-	-	-
		<u>374 165</u>	<u>-</u>	<u>-</u>	<u>374 165</u>
<b>Gran Chimú I &amp; II (Cascajal) (Peru)</b>					
Mining properties	100	2 974	-	-	2 974
Exploration costs		-	-	-	-
		<u>2 974</u>	<u>-</u>	<u>-</u>	<u>2 974</u>
<b>Angolos (Bolsa Del Diablo) (Peru)</b>					
Mining properties	100	976 184	904 418	-	1 880 602
Exploration costs		1 416 969	526 919	-	1 943 889
		<u>2 393 153</u>	<u>1 431 337</u>	<u>-</u>	<u>3 824 490</u>
<b>Almirante Miguel Grau (Peru)</b>					
Mining properties	100	1 398 075	-	-	1 398 075
Exploration costs		35 971	36 549	-	72 521
		<u>1 434 046</u>	<u>36 549</u>	<u>-</u>	<u>1 470 596</u>
<b>Ecuador (Escondida) (a)</b>					
Mining properties	100	541 225	2 634 659	(1 384 822)	1 791 063
Exploration costs		269 180	396 423	-	665 603
		<u>810 405</u>	<u>3 031 082</u>	<u>(1 384 822)</u>	<u>2 456 666</u>
		<u>5 244 586</u>	<u>4 498 969</u>	<u>(1 384 822)</u>	<u>8 358 733</u>

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## Plexmar Resources Inc.

(an exploration company)

Notes to Interim Consolidated Financial Statements

September 30, 2007

(unaudited)

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(a) Signing of an Option and Joint Venture Agreement

On September 14, 2007, the company and its subsidiary entered into an Option and Joint Venture Agreement ("Option Agreement") with Escondoro Resources Ltd. ("Escondoro"), a company managed by the president of Plexmar, and its wholly-owned subsidiary SadcoEcuador S.A. ("Sadco") whereby Sadco was granted the sole and exclusive option (the "Option") to acquire up to an undivided 60% interest in properties held by Plexmar S.A. (the Escondida properties), which is subject to the performance of the following terms and conditions:

1. the payment by Escondoro to Plexmar of an aggregate amount equal to the expenditures previously incurred by Plexmar on the Escondida properties amounting to \$1,384,822 of which 1,115,903 is receivable on September 30, 2007, this amount will be paid at the closing of the IPO of Escondoro which should occur before December 31, 2007;
2. the issuance by Escondoro on the listing date of 3,000,000 common shares to Plexmar;
3. the undertaking by Escondoro to bear and pay all payments due by Plexmar or its subsidiary to Minera DMG S.A. ("DMG") in regard of the acquisition of the mining rights of the Escondida properties as follows:

	US\$
November 7, 2007	200,000
February 7, 2008	200,000
May 7, 2008	200,000
November 7, 2008	250,000

4. Sadco will incur work expenditures aggregating US\$3,000,000 with respect to the exploration and development of the properties in accordance with the following schedule:
  - (i) US\$750,000 on or before one year after the first date that the common shares of the Corporation will be listed on the TSX Venture Exchange Inc. (the "listing date");
  - (ii) US\$1,000,000 on or before two years after the listing date;
  - (iii) US\$1,250,000 on or before three years after the listing date.
5. as long as Plexmar or Plexmar Ecuador S.A. is a shareholder of the Corporation, undertaking by the Corporation to propose to its shareholders two Directors designated by Plexmar;

Upon Sadco having acquired a 60% interest in the properties, a joint venture will automatically be formed with Plexmar S.A. holding a 40% interest. Terms of the joint venture will include:

- Sadco will act as operator of the joint venture and will have the right (but not the obligation) to remain operator for so long as its participating interest is 50% or more; and
- a management committee will be formed for the direction and control of the affairs of the joint venture, with the operator having a preponderant vote on any matter to be determined by this committee;

(an exploration company)  
Notes to Interim Consolidated Financial Statements  
**September 30, 2007**  
(unaudited)

Detailed analysis of deferred exploration costs and expenses

	<b>September 30 2007</b>	<b>December 31 2006</b>
	\$	\$
Balance at the beginning	5 244 586	1 590 198
Cost incurred during the year		
Acquisition of properties, claims & permits	3 539 077	2 478 331
Drilling	339	-
Geophysics	-	13 862
Sampling and analysis	40 821	197 549
Geologist and other salaries	727 199	798 828
Community relations	128 222	102 002
Fuel and maintenance of vehicles	23 703	15 999
Maintenance of facilities	4 101	35 914
Exploration equipment and maps	35 506	11 903
 Mining properties under option (a)	 (1 384 822)	 -
Balance at the end	<u>8 358 733</u>	<u>5 244 586</u>

**5. PROPERTY, PLANT AND EQUIPMENT**

	<u>September 30, 2007</u>		<u>December 31, 2006</u>	
	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>Cost</b>	<b>Accumulated Depreciation</b>
	\$	\$	\$	\$
Office equipment and furniture	48 349	3 495	1 719	1 144
Leasehold Improvement	7 263	343		
Hardware	55 547	24 020	24 578	19 613
Camp	22 005	2 636	4 044	995
	<u>133 165</u>	<u>30 494</u>	<u>30 341</u>	<u>21 752</u>
Less: Accumulated depreciation	<u>30 494</u>		<u>21 752</u>	
Net amount	<u>102 671</u>		<u>8 589</u>	

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## Plexmar Resources Inc.

(an exploration company)

Notes to Interim Consolidated Financial Statements

September 30, 2007

(unaudited)

### 6. SHARE CAPITAL

Authorized

Unlimited number of common shares, without par value

Variation of issued share capital

	September 30, 2007		December 31, 2006	
	Number	Stated value \$	Number	Stated value \$
Balance at beginning	126 184 109	23 705 702	60 408 715	14 527 654
Private placements	-	-	26 448 900	2 362 734
Purchase of a mining property	4 000 000	1 680 000	2 000 000	1 340 000
Exercise of warrants	1 897 047	318 438	32 255 996	4 091 127
Exercise of stock options	829 166	167 500	4 320 498	1 139 468
Conversion of debenture	-	-	750 000	244 719
Balance at the end	132 910 322	25 871 640	126 184 109	23 705 702

### 7. STOCK OPTION PLAN

The following tables present the stock option activity since January 1, 2006 and summarize information about stock options outstanding and exercisable as at September 30, 2007 and December 31, 2006:

	September 30, 2007			December 31, 2006		
	Number	Carrying value \$	Weighted average exercise price \$	Number	Carrying value \$	Weighted average exercise price \$
Outstanding - beginning of the period	7 275 335	826 150	0,39	4 750 000	572 797	0,21
Granted	6 300 000	-	0,30	8 100 000	-	0,34
Exercised	(829 166)	(45 438)	0,15	(4 320 498)	(430 776)	0,16
Matured or cancelled	(200 000)	(3 314)	0,35	(1 254 167)	(127 317)	0,21
Net stock-based compensation costs	-	852 610	-	-	811 446	-
Outstanding - End	12 546 169	1 630 008	0,36	7 275 335	826 150	0,39
Exercisable - End	5 787 836		0,40	2 067 001		0,24

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**Plexmar Resources Inc.**

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Notes to Interim Consolidated Financial Statements

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(unaudited)

		<b>Options outstanding</b>		
<b>Exercise price</b>		<b>Number</b>	<b>Weighted average remaining contractual life (years)</b>	<b>Prix de Weighted average exercise price \$</b>
0,11 \$ à 0,30 \$	Directors and managers	5 029 502	4,05	0,24
0,42 \$ à 0,51 \$	Directors and managers	600 000	3,99	0,49
0,11 \$ à 0,30 \$	Consultants	3 016 667	2,59	0,30
0,51 \$ à 0,73 \$	Consultants	3 900 000	0,44	0,56
		<u>12 546 169</u>		
		<b>Options currently exercisable</b>		
<b>Exercise price</b>		<b>Number</b>	<b>Weighted average remaining contractual life (years)</b>	<b>Weighted average exercise price \$</b>
0,11 \$ à 0,30 \$	Directors and managers	1 779 502	2,47	0,13
0,42 \$ à 0,51 \$	Directors and managers	375 000	3,95	0,49
0,11 \$ à 0,30 \$	Consultants	116 667	3,16	0,11
0,51 \$ à 0,73 \$	Consultants	3 291 667	0,36	0,55
		<u>5 562 836</u>		

The fair value of stock options granted for the nin-month period ended September 30, 2007 was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	<b>September 30 2007</b>	<b>December 31 2006</b>
Weighted average risk-free interest rate	4,25%	4,06%
Expected volatility	103%	100%
Dividend yield	néant	néant
Weighted average expected life	3,6 ans	3,9 ans
Weighted average fair value of options granted	\$0,204	\$0,198

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(an exploration company)

Notes to Interim Consolidated Financial Statements

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**8. WARRANTS**

	September 30, 2007			December 31, 2006		
	Number	Carrying value \$	Weighted average exercise price \$	Number	Carrying value \$	Weighted average exercise price \$
Outstanding at the beginning	7 905 404	637 477	0,33	25 502 000	1 070 065	0,24
Granted	-	-	-	26 591 400	856 803	0,18
Exercise	(1 897 047)	(39 950)	0,15	(32 255 996)	(419 807)	0,11
Matured or cancelled	(50 000)	(587)	0,12	(11 932 000)	(869 584)	0,38
Outstanding - End	5 958 357	596 940	0,38	7 905 404	637 477	0,33

Exercise price	Warrants outstanding and exercisable as at September 30 2007	Weighted average remaining contractual life (years)
0,10 \$	500 000	0,18
0,41 \$	5 458 357	1,03
	<u>5 958 357</u>	

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## Plexmar Resources Inc.

(an exploration company)

Notes to Interim Consolidated Financial Statements

September 30, 2007

(unaudited)

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### 9. AGREEMENT

On July 24, 2007, the company signed a final agreement for the acquisition of all mining rights in Hans X, XX, XXX properties, Eldorado del norte 1 property and Virgen de Carmen de Pataz property in consideration of cash payments amounting to US\$3,600,000. An amount of US\$448,500 is already paid and other payments are as follows:

November 2007:	US\$100,000
2008	US\$623,000
2009	US\$648,000
2010	US\$1,045,000
2011	US\$515,000

Furthermore, a payment through the issuance of 2,000,000 common shares of the company shall be made as follows: 500,000 shares upon signature of the contract and approval of the transaction by the TSX Venture Exchange, 500,000 shares thirty days after the signature of the contract, 500,000 shares six months after the signature of the contract and 500,000 shares twelve month after the signature of the contract.

### 10. EARNINGS PER SHARE

The following table summarizes the reconciliation of the basic weighted average number of shares outstanding and the diluted weighted average number of shares outstanding used in the diluted loss per share calculations:

	<b>Three-month period</b>		<b>Nine-month period</b>	
	<b>Ended September 30</b>		<b>Ended September 30</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
Basic weighted average number of shares outstanding	132 526 263	112 127 193	129 925 642	93 394 156
Options	1 118 555	3 074 013	1 448 697	2 650 169
Warrants	338 188	2 036 627	1 924 909	8 141 854
Diluted weighted average (potentially dilutive) number of shares outstanding	133 983 006	117 237 833	133 299 248	104 186 179

For the nine-month periods ended September 30, 2007 and 2006, the diluted loss per share was the same as the basic loss per share since the dilutive effect of stock options and warrants was not included in the calculation; otherwise, the effect would have been anti-dilutive. Accordingly, the diluted loss per share for those years was calculated using the basic weighted average number of shares outstanding.

The accompanying notes are an integral part of these consolidated interim financial statements

## Plexmar Resources Inc.

(an exploration company)

Notes to Interim Consolidated Financial Statements

September 30, 2007

(unaudited)

### 11. RELATED PARTY TRANSACTIONS

The company entered into the following transactions mainly with companies controlled by directors and an officer:

	Three-month period Ended September 30		Nine-month period Ended September 30	
	2007 \$	2006 \$	2007 \$	2006 \$
Management fees	52 794	20 833	123 476	118 333
Professional fees	-	110 000	110 000	195 650
Rent-Offices	-	4 950	9 900	14 850

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

### 12. CONSOLIDATED SEGMENT INFORMATION BY GEOGRAPHIC REGION

The company is organized under three geographic regions, which are Canada, Peru and Ecuador. The accounting policies used for these reportable segments are consistent with those described in the summary of significant accounting policies in the annual consolidated financial statements. The principal financial information for each of these segments is detailed as follows:

#### For the nine-month period ended September 30, 2007

	Ecuador \$	Peru \$	Canada \$	Total \$
Interests	-	-	2 302	2 302
Others	-	470	-	470
Professional and maintenance fees	-	-	(416 206)	(416 206)
Management fees	-	-	(123 476)	(123 476)
Stock-based compensation	-	-	(852 610)	(852 610)
General and administrative	-	(112 240)	(220 786)	(333 026)
Travelling	-	-	(109 805)	(109 805)
Depreciation of property, plant and equipment	-	(2 245)	(6 497)	(8 742)
Cost of mining properties abandoned	-	-	-	-
Accretion of convertible debenture	-	-	-	-
Exchange gain (loss)	-	(59 175)	(6 129)	(65 304)
Loss for the period	-	(173 190)	(1 733 207)	(1 906 397)
Segment assets	2 762 668	6 458 530	1 488 011	10 709 209
Additions to mining properties	3 031 082	1 467 887	-	4 498 969
Option of mining properties	(1 384 822)	-	-	(1 384 822)

### 13. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year's presentation.

The accompanying notes are an integral part of these consolidated interim financial statements