

**PLEXMAR RESOURCES INC.**

(an exploration company)

**CONSOLIDATED FINANCIAL STATEMENTS**

**March 31, 2007**

# PLEXMAR RESOURCES INC.

(an exploration company)

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## Notice

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The attached consolidated financial statements have been prepared by the Management of Ressources Plexmar inc. and have not been reviewed by an auditor. They must be read along with the annual financial statement as at december 31, 2006. This quaterly report includes forward-looking statements that are based on certain assumptions and reflet Ressources Plexmar inc. current expectations. Theses forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Additional factors are discussed in Ressources Plexmar inc materials filed with the securities regulatory authorities in Canada from time to time. Ressources Plexmar inc disclaims any intention or obligation to update or revise any forward-looking statement.

*(signed) Guy Bédard*  
\_\_\_\_\_  
Guy Bédard, director

*(signed) Louis Lessard*  
\_\_\_\_\_  
Louis Lessard, director

# PLEXMAR RESOURCES INC.

(an exploration company)

## Consolidated Balance Sheets

	March 31 2007	December 31 2006
	\$ (Unaudited)	\$ (Audited)
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	2 398 463	3 716 197
Amount receivable	68 081	90 023
Prepaid expenses	50 991	43 482
	<b>2 517 535</b>	<b>3 849 702</b>
COMMODITY TAXES RECEIVABLE	193 891	186 853
MINING PROPERTIES (note 3)	6 035 120	5 244 586
PROPERTY, PLANT AND EQUIPMENT (note 4)	7 991	8 589
DEPOSIT ON THE PURCHASE OF MINING PROPERTIES	175 470	175 470
PROPERTY, PLANT AND EQUIPEMENT HELD FOR SALE	174 000	174 000
CONSTITUTION FEES	11 552	-
	<b>9 115 559</b>	<b>9 639 200</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	192 078	531 694
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (notes 5)	24 068 232	23 705 702
Warrants (note 7)	588 220	637 477
Stock options (note 6)	782 533	826 150
Contributed surplus	1 549 094	1 499 894
Deficit	(18 064 599)	(17 561 717)
	<b>8 923 480</b>	<b>9 107 506</b>
	<b>9 115 559</b>	<b>9 639 200</b>

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

### Approved by the Board of Directors

*(signed) Guy Bédard*  
Guy Bédard, director

*(signed) Louis Lessard*  
Louis Lessard, director

# PLEXMAR RESOURCES INC.

(an exploration company)

## Consolidated Statements of Deficit

	March 31 2007	December 31 2006
	(3 months) \$ (Unaudited)	(12 months) \$ (Audited)
<b>Balance - Beginning of year</b>		
Beginning of period	(17 561 717)	(15 302 049)
Loss for the period / year	(502 882)	(2 065 861)
Share issue expenses	-	(193 807)
<b>Balance- End of year</b>	<b>(18 064 599)</b>	<b>(17 561 717)</b>

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

## Consolidated Statements of Contributed Surplus

	March 31 2007	December 31 2006
	(3 months) \$ (Unaudited)	(12 months) \$ (Audited)
<b>Balance - Beginning of the period</b>	<b>1 499 894</b>	511 130
Warrants matured or cancelled during the period / year	-	869 584
Stock options matured or cancelled during the period / year	<b>49 200</b>	119 180
<b>Balance - End of the period</b>	<b>1 549 094</b>	1 499 894

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

# PLEXMAR RESOURCES INC.

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## Consolidated Statements of Earnings

	March 31 2007	March 31 2006	December 31 2006
	(3 months) \$ (Unaudited)	(3 months) \$ (Unaudited)	(12 months) \$ (Audited)
<b>Revenues</b>			
Interest	-	-	1 474
Other	1 306	-	1 337
	<b>1 306</b>	-	2 811
<b>EXPENSES</b>			
Professional fees	219 916	205 602	513 991
Management fees	32 138	50 840	160 000
Salaries and fringe benefits	-	-	-
Stock-based compensation cost	69 611	51 436	937 147
Rents - Offices	3 300	4 950	18 150
Office sublease	22 517	14 899	60 119
Maintenance fees	4 205	1 310	28 741
Shareholder information	4 685	4 767	19 408
Insurance	2 702	2 207	11 925
Printing and communication expenses	95 726	99 240	173 523
Office expenses and others	62 466	1 620	65 704
Travelling	-	-	5 778
Search for properties	1 123	695	3 364
Depreciation of property, plant and equipment	-	-	4 299
Writeoff of property, plant and equipment	-	-	-
Cost of mining properties abandoned	-	-	6 559
Tax credit adjustments on mining properties abandoned	-	9 781	17 715
Accretion on convertible debenture	(14 201)	(6 966)	42 249
Exchange loss (gain)	-	-	-
	<b>504 188</b>	440 381	2 068 672
<b>Loss for the year</b>	<b>(502 882)</b>	(440 381)	(2 065 861)
<b>Basic and diluted loss per share</b>	<b>(0,004)</b>		(0,020)

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

# PLEXMAR RESOURCES INC.

(an exploration company)

## Consolidated Statements of Cash Flows

	March 31 2006	December 31 2006
	(3 months) \$ (Unaudited)	(12 months) \$ (Audited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss for the period	(502 882)	(2 065 861)
Items not affecting cash	-	-
Depreciation of property, plant and equipment	1 123	3 364
Writeoff of property, plant and equipment	-	4 299
Loss on disposal of property, plant and equipment	-	-
Cost of mining properties abandoned	-	-
Accretion on convertible debenture	-	17 715
Net stock-based compensation costs	69 611	803 309
Interest on convertible debenture paid through the issuance of shares	-	-
	<b>(432 147)</b>	<b>(1 237 174)</b>
Change in non-cash working capital items		
Amount receivable	21 942	(52 163)
Prepaid expenses	(7 509)	(325)
Accounts payable and accrued liabilities	(339 616)	198 393
Balance of purchase price payable	-	(116 300)
	<b>(325 183)</b>	<b>29 605</b>
	<b>(757 330)</b>	<b>(1 207 569)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issuance of share capital and warrants	249 245	7 595 462
Share issue expenses	-	(189 720)
	<b>249 245</b>	<b>7 405 742</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Increase in commodity taxes receivable	(7 046)	(12 823)
Purchase of mining properties	(790 534)	(2 418)
Additions to property, plant and equipment	(517)	(175 470)
Deposit on the purchase of mining properties	-	-
Additions to constitution fees	(11 552)	-
	<b>(809 649)</b>	<b>(190 711)</b>
<b>NET CHANGE IN CASH</b>	<b>(1 317 734)</b>	<b>6 007 462</b>
<b>CASH - BEGINNING OF PERIOD</b>	<b>3 716 197</b>	<b>23 123</b>
<b>CASH- END OF PERIOD</b>	<b>2 398 463</b>	<b>6 030 585</b>

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

# PLEXMAR RESOURCES INC.

(an exploration company)

## Notes to Consolidated Financial Statements

March 31, 2007

« Unaudited »

### 1. Incorporation, nature of activities and going concern

The company, incorporated under the Canada Business Corporation Act, is in the business of acquiring and exploring mining properties. It has not yet determined whether its properties contain or 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.

The company has accumulated a significant deficit. To continue operations, the company still needs new capital. Management intends to secure such new capital from third parties. Without such funding being available, the company may be unable to continue its operations and amounts realized for assets may be significantly less than amounts reflected in these financial statements.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These intermediate consolidated statements is unaudited. Consolidated intermediary results may not necessarily be indicative of results anticipated for the year.

These intermediate consolidated financial statements are prepared in accordance with generally accepted accounting principles in Canada and use the same accounting policies and methods used in the preparation of the company's most recent annual consolidated financial statements. All disclosures required for annual consolidated financial statements have not been included in these intermediate consolidated financial statements.

### 3. MINING PROPERTIES

	Undivided interest	Balance as at December 31 2006	Costs incurred	Mining properties abandoned and tax credits	Balance as at March 31 2007
	%	\$	\$	\$	\$
<b>Lucma (Cascajal) (Pérou)</b>					
Mining property	100	70 947	-	-	<b>70 947</b>
Exploration costs		-	-	-	-
		<u>70 947</u>	<u>-</u>	<u>-</u>	<u><b>70 947</b></u>
<b>Marillia I, II &amp; III (Pérou)</b>					
Mining property	100	150 598	-	-	<b>150 598</b>
Exploration costs		8 298	-	-	<b>8 298</b>
		<u>158 896</u>	<u>-</u>	<u>-</u>	<u><b>158 896</b></u>
<b>Oro Del Norte I, II &amp; III (Cascajal) (Pérou)</b>					
Mining property	100	374 165	-	-	<b>374 165</b>
Exploration costs		-	-	-	-
		<u>374 165</u>	<u>-</u>	<u>-</u>	<u><b>374 165</b></u>

# PLEXMAR RESOURCES INC.

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## Notes to Consolidated Financial Statements

March 31, 2007

« Unaudited »

	Undivided interest	Balance as at December 31 2006	Costs incurred	Mining properties abandoned and tax credits	Balance as at March 31 2007
	%	\$	\$	\$	\$
<b>Gran Chimu I &amp; II (Cascajal) (Pérou)</b>					
Mining property	100	2 974	-	-	<b>2 974</b>
Exploration costs		-	-	-	-
		<b>2 974</b>	-	-	<b>2 974</b>
<b>Almirante Miguel Grau (Pérou)</b>					
Mining property	100	976 184	124 182	-	<b>1 100 366</b>
Exploration costs		1 416 969	134 082	-	<b>1 551 052</b>
		<b>2 393 153</b>	<b>258 264</b>	-	<b>2 651 417</b>
<b>Angolos (Bolsa Del Diablo) (Pérou)</b>					
Mining property	100	1 398 075	-	-	<b>1 398 075</b>
Exploration costs		35 971	36 549	-	<b>72 521</b>
		<b>1 434 046</b>	<b>36 549</b>	-	<b>1 470 596</b>
<b>Ecuador</b>					
Mining property	100	541 225	474 120	-	<b>1 015 345</b>
Exploration costs		269 180	21 600	-	<b>290 780</b>
		<b>810 405</b>	<b>495 720</b>	-	<b>1 306 125</b>
		<b>5 244 586</b>	<b>790 534</b>	-	<b>6 035 120</b>

### Detailed analysis of deferred exploration costs and expenses

	Balance as at March 31 2007	Balance as at December 31 2006
	\$	\$
Balance - Beginning of period	<b>5 244 586</b>	1 590 198
Cost incurred during the period		
Cost of claims	<b>598 302</b>	2 478 331
Drilling	-	-
Geophysics	-	13 862
Sampling and analyses	<b>8 978</b>	197 549
Geologists and other salaries	-	798 828
Community relations	<b>143 906</b>	102 002
Equipment rental	<b>33 810</b>	15 999
Fuel and maintenance of vehicles	-	35 914
Maintenance of facilities	<b>5 104</b>	-
Accommodation	-	11 903
Mining properties abandoned	<b>434</b>	-
Tax credits	-	-
Balance - End of period	<b>6 035 120</b>	5 244 586

# PLEXMAR RESOURCES INC.

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## Notes to Consolidated Financial Statements

March 31, 2007

« Unaudited »

### 4. PROPERTY, PLANT AND EQUIPMENT

	As at March 31, 2007		As at December 31, 2006	
	Cost	Accumulated depreciation	Cost	Accumulated depreciation
	\$	\$	\$	\$
Office furniture	1 719	1 184	1 719	1 144
Hardware	24 578	20 421	24 578	19 613
Camp	4 561	1 262	4 044	995
	<b>30 858</b>	<b>22 868</b>	30 341	21 752
Less: Accumulated depreciation			21 752	
Net amount	<b>7 991</b>		<b>8 589</b>	

### 5. SHARE CAPITAL

Authorized

Unlimited number of common shares, without par value

Variation of issued share capital:

	As at March 31, 2007		As at December 31, 2006	
	Number	Stated value	Number	Stated value
	#	\$	#	\$
Balance- Beginning of period	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	-	-	2 000 000	1 340 000
Professional fees	-	-	-	-
Exercise of warrants	2 562 214	203 564	32 255 996	4 091 127
Exercise of stock options	570 833	158 966	4 320 498	1 139 468
Conversion of the convertible debenture	-	-	750 000	244 719
Interest on convertible	-	-	-	-
Balance - End of period	<b>129 317 156</b>	<b>24 068 232</b>	126 184 109	23 705 702

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## Notes to Consolidated Financial Statements

March 31, 2007

« Unaudited »

### 6. STOCK OPTION PLAN

	As at March 31, 2007			As at December 31, 2006		
	Number	Carrying value	Weighted average exercise price	Number	Carrying value	Weighted average exercise price
	#	\$	\$	#	\$	\$
Outstanding - Beginning of period	7 275 335	826 150	0,39	4 750 000	572 797	0,21
Granted	-	-	-	8 100 000	-	0,34
Exercised	(570 833)	(64 028)	0,13	(4 320 498)	(430 776)	0,16
Matured or cancelled	(200 000)	(49 200)	0,35	(1 254 167)	(127 317)	0,21
Net stock-based compensation costs	-	69 611	-	-	811 446	-
Outstanding - End of period	6 504 502	782 533	0,16	7 275 335	826 150	0,39
Exercisable - End of period	2 267 001			2 067 001		0,24

#### Options outstanding

Exercise Price		Options outstanding as at March 31 2006	Weighted average remaining contractual life	Weighted average exercise price
		#	Years	\$
0,11 \$ à 0,25 \$	Directors and managers	2 487 835	3,29	0,20
0,35 \$	Directors and managers	200 000	-	0,35
0,11 \$ à 0,73 \$	Consultants	4 016 667	0,96	0,54
		6 704 502		

# PLEXMAR RESOURCES INC.

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## Notes to Consolidated Financial Statements

March 31, 2007

« Unaudited »

### 7. WARRANTS

	As at March 31, 2007			As at December 31, 2006		
	Number	Carrying value	Weighted average exercise price	Number	Carrying value	Weighted average exercise price
	#	\$	\$	#	\$	\$
Outstanding and exercisable						
Beginning of period	7 905 404	637 477	0,24	25 502 000	1 070 065	0,24
Granted	-	-	-	26 591 400	856 803	0,18
Exercised	(2 562 214)	(49 257)	0,02	(32 255 996)	(419 807)	0,11
Matured or cancelled	-	-	-	(11 932 000)	(869 584)	0,38
Outstanding						
End of period	5 343 190	588 220	0,11	7 905 404	637 477	0,33
Exercisable						
End of period	5 343 190			25 502 000		0,33

Exercise Price	Warrants	
	Warrants outstanding as at March 31 =J197	Weighted average remaining contractual life
\$	#	Years
0,10	500 000	0,68
0,12	1 664 833	0,36
0,41	3 758 357	1,54
	5 923 190	