

RX Exploration Inc.

Interim Financial Statements

September 30, 2007
(unaudited)

Notice to Reader

The accompanying unaudited interim financial statements have been prepared by the Company's management and the Company's independent auditors have not performed a review of these financial statements.

RX Exploration Inc.

Interim Balance Sheets

(unaudited - see Notice to Reader)

	Note	September 30, 2007	June 30, 2006 (audited)
Assets			
Current			
Cash		\$ 256,171	\$ 43,847
Mining claims and deferred exploration expenditures		458,052	422,261
		\$ 714,223	\$ 466,108

Liabilities

Current			
Accounts payable and accrued liabilities		\$ 49,806	\$ 258,073

Shareholders' Equity

Capital stock	4	2,593,476	2,086,920
Deposit on subscriptions		-	30,000
Contributed surplus		3,000	3,000
Share purchase warrants		108,600	108,600
Deficit		(2,040,659)	(2,020,485)
		664,417	208,035
		\$ 714,223	\$ 466,108

Nature of Operations (Note 1)

Approved by the Board "Murray R. Nye" Director "Brian McNamara" Director
(Signed) (Signed)

See accompanying notes.

RX Exploration Inc.

Interim Statements of Operations and Deficit

(unaudited - see Notice to Reader)

	Three Months Ended September 30,	
	2007	2006
Expenses		
Office and general	\$ 15,424	\$ 5,686
Professional fees	4,750	-
Net loss	(20,174)	(5,686)
Deficit at beginning of period	(2,020,485)	(1,795,906)
Deficit at end of period	\$(2,040,659)	\$(1,801,592)
Loss per share		
Basic and diluted	\$ (0.001)	\$ (0.0005)
Weighted average number of common shares outstanding		
Basic and diluted	21,326,802	12,355,616

See accompanying notes.

RX Exploration Inc.

Interim Statements of Cash Flows

(unaudited - see Notice to Reader)

	Three Months Ended September 30,	
	2007	2006
Cash flows from operating activities		
Loss from operations	\$ (20,174)	\$ (5,686)
Changes in non-cash working capital item		
Accounts payable and accrued liabilities	(26,711)	(731)
	(46,885)	(6,417)
Cash flows from investing activity		
Acquisition of mining claims and deferred exploration expenditures	(35,791)	(45,713)
Cash flows from financing activity		
Issuance of capital stock	295,000	-
Increase (decrease) in cash during the period	212,324	(52,130)
Cash at beginning of period	43,847	95,261
Cash at end of period	\$ 256,171	\$ 43,131

See accompanying notes.

RX Exploration Inc.

Notes to Interim Financial Statements

(unaudited - see Notice to Reader)

1. NATURE OF OPERATIONS

The Company's principal assets are mining claims and deferred exploration expenditures made on properties which are not in commercial production. The Company is in the process of exploring its mining claims and has not yet determined whether or not the properties will contain economically recoverable reserves.

As is common with exploration companies, the Company is dependent upon obtaining necessary equity financing from time to time to finance its on-going and planned exploration activities.

2. INTERIM REPORTING

The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles. The disclosures contained in these unaudited interim financial statements do not include all requirements of Canadian generally accepted accounting principles for annual financial statements. The unaudited interim financial statements follow the same accounting policies and methods of application as the audited financial statements for the year ended June 30, 2007. The unaudited interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2007.

Accounting measurements at interim dates inherently involve greater reliance on estimates than at year-end. In the opinion of management, the accompanying unaudited interim financial statements include all adjustments of a normal recurring nature to present fairly the position of the Company as at September 30, 2007 these financial statements reflect the results of operations for the three month period ended September 30, 2007.

RX Exploration Inc.

Notes to Interim Financial Statements

(unaudited - see Notice to Reader)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of the Company is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to Canadian generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Mining Properties and Deferred Exploration Costs

All direct costs related to the acquisition and exploration of specific properties are capitalized as incurred. If a property is brought into production, these costs will be amortized against the income generated from the property. If a property is abandoned, sold or impaired, an appropriate charge will be made. Discretionary option payments arising on the acquisition of mining properties are only recognized when paid.

The amounts shown for mining claims and related deferred costs represent costs incurred to date, and do not necessarily reflect present or future values of the particular properties. The recoverability of amounts shown for mining properties is dependent upon discovery of economically recoverable reserves and future production or proceeds from the disposition thereof.

On a periodic basis, management reviews the carrying values of deferred mining property acquisition and exploration expenditures to assess whether there has been any impairment in value. In the event that management determines the carrying values of any mining property to be permanently impaired, the carrying value will be written down or written off, as appropriate.

Although the Company has taken steps to verify title to mining properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Income Taxes and Flow Through Shares

Canadian Income Tax Legislation permits an enterprise to issue securities referred to as flow-through shares, whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. When resource expenditures are renounced to the investors and the Company has reasonable assurance that the expenditures will be completed, future income tax liabilities are recognized, thereby reducing share capital.

If a company has sufficient unused tax losses and deductions ("losses") to offset all or part of the future income tax liabilities and no future income tax assets have been previously recognized on such losses, such unrecognized losses are recorded as income to the extent that the future income tax liabilities relating to the issuance of flow through shares are expected to reverse in the loss carry forward period.

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Notes to Interim Financial Statements

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4. CAPITAL STOCK

Authorized
unlimited common shares

Issued

	Number of Shares	Amount
Balance at June 30, 2007	17,968,115	\$2,086,920
Shares issued as payment ⁽ⁱ⁾	1,815,560	181,556
Shares issued ⁽ⁱⁱ⁾	3,250,000	325,000
Balance at September 30, 2007	23,033,675	\$2,593,476

(i) The Company's legal counsel, a significant shareholder, agreed to convert accrued liabilities in the amount of \$181,556 into common shares.

(ii) 3,250,000 shares issued under a private placement at \$0.10 per share for total proceeds of 325,000.

5. STOCK OPTIONS AND WARRANTS

(i) Stock Options

The Company had the following stock options outstanding as of September 30, 2007:

<u>Number of Options</u>	<u>Exercisable</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
400,000	400,000	\$0.15	November 10, 2011

(ii) Warrants

The Company had the following warrants outstanding at September 30, 2007:

<u>Number of Warrants</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
2,572,500	\$0.15	December 31, 2007
