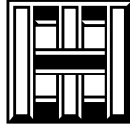

RODINIA MINERALS INC.
(An Exploration Stage Company)
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2008 AND 2007
(Expressed in Canadian Dollars)



MANNING ELLIOTT
CHARTERED ACCOUNTANTS

11th floor, 1050 West Pender Street, Vancouver, BC, Canada V6E 3S7

Phone: 604. 714. 3600 Fax: 604. 714. 3669 Web: manningelliott.com

AUDITORS' REPORT

To the Shareholders of
Rodinia Minerals Inc.
(An Exploration Stage Company)

We have audited the consolidated balance sheets of Rodinia Minerals Inc. as at December 31, 2008 and 2007 and the consolidated statements of operations, comprehensive loss and deficit and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2008 and 2007 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

/s/ "Manning Elliott LLP"

Chartered Accountants
Vancouver, British Columbia
April 9, 2009

RODINIA MINERALS INC.

(An Exploration Stage Company)

CONSOLIDATED BALANCE SHEETS**AS AT DECEMBER 31, 2008 AND 2007**(Expressed in Canadian Dollars)

	2008	2007
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,674,779	\$ 3,483,688
Marketable securities (Note 7)	77,586	–
Receivables	13,692	50,600
Notes receivable (Note 4)	75,000	–
Prepaid expenses and deposits	9,000	15,800
	1,850,057	3,550,088
PROPERTY AND EQUIPMENT (Note 5)	25,036	28,776
MINERAL PROPERTIES (Note 6)	7,605,825	6,414,290
ADVANCE ROYALTY PAYMENTS (Note 6(a))	140,058	89,497
DEPOSITS	150,002	20,531
RECLAMATION BONDS	98,393	55,313
INVESTMENT (Note 7)	–	508,680
	\$ 9,869,371	\$ 10,667,175
<hr/>		
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 111,483	\$ 107,346
<hr/>		
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 8)	24,728,331	24,662,581
CONTRIBUTED SURPLUS (Note 9)	1,988,039	1,890,995
DEFICIT	(16,958,482)	(15,993,747)
	9,757,888	10,559,829
	\$ 9,869,371	\$ 10,667,175
<hr/>		

COMMITMENTS (Notes 6 and 16)

SUBSEQUENT EVENTS (Note 17)

See accompanying notes to the consolidated financial statements

Approved on Behalf of the Board of Directors:

"Donald Morrison" (sgd)
Donald Morrison, Director"Donald Mosher" (sgd)
Donald Mosher, Director

RODINIA MINERALS INC.

(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT**YEARS ENDED DECEMBER 31, 2008 AND 2007**(Expressed in Canadian Dollars)

	2008	2007
REVENUES	\$ —	\$ —
EXPENSES		
Accounting and legal	111,212	76,930
Amortization	7,764	7,653
Management and consulting fees (Note 14(a))	248,674	276,468
Office and rent	57,109	42,992
General exploration expenses	74,960	—
Stock-based compensation (Note 10)	97,044	354,767
Regulatory	16,228	26,661
Travel and promotion	80,751	95,013
	693,742	880,484
LOSS FOR THE YEAR BEFORE OTHER ITEMS	(693,742)	(880,484)
OTHER ITEMS		
Interest income	42,749	150,875
Unrealized loss on marketable securities	(77,586)	—
Write-down of investment (Note 7)	(353,508)	—
Foreign exchange gain (loss)	117,352	(53,904)
	(270,993)	96,971
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	(964,735)	(783,513)
DEFICIT, BEGINNING OF YEAR	(15,993,747)	(15,210,234)
DEFICIT, END OF YEAR	\$ (16,958,482)	\$ (15,993,747)
LOSS PER SHARE (Note 12)		
Basic and diluted	\$ (0.04)	\$ (0.03)

See accompanying notes to the consolidated financial statements

RODINIA MINERALS INC.

(An Exploration Stage Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS**YEARS ENDED DECEMBER 31, 2008 AND 2007**(Expressed in Canadian Dollars)

	2008	2007
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Net loss for the year	\$ (964,735)	\$ (783,513)
Items not involving cash and cash equivalents:		
Amortization	7,764	7,653
Stock-based compensation	97,044	354,767
Unrealized loss on marketable securities	77,586	-
Unrealized foreign exchange loss	-	79,443
Write-down of investment	353,508	-
	(428,833)	(341,650)
Changes in operating assets and liabilities:		
Receivables	36,908	(6,167)
Notes receivable	(75,000)	-
Prepaid expenses and deposits	6,800	20,149
Advanced royalty payments	(50,561)	(29,685)
Deposits	(129,471)	(143)
Reclamation bonds	(43,080)	(35,424)
Accounts payable and accrued liabilities	4,137	63,804
	(679,100)	(329,116)
FINANCING ACTIVITIES		
Proceeds from common shares issued, net of share issue costs and share subscriptions	-	977,559
INVESTING ACTIVITIES		
Purchases of property and equipment	(4,024)	(19,684)
Loans advanced	-	(70,803)
Mineral property expenditures capitalized during the year	(1,125,785)	(1,552,046)
	(1,129,809)	(1,642,533)
DECREASE IN CASH AND CASH EQUIVALENTS	(1,808,909)	(994,090)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,483,688	4,477,778
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,674,779	\$ 3,483,688
CASH AND CASH EQUIVALENTS CONSISTS OF:		
Demand deposits	\$ 924,779	\$ 1,983,688
Guaranteed investment certificates	750,000	500,000
Term deposits	-	1,000,000
	\$ 1,674,779	\$ 3,483,688

SUPPLEMENTAL CASH FLOW INFORMATION (Note 13)

See accompanying notes to the consolidated financial statements

RODINIA MINERALS INC.

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**AS AT DECEMBER 31, 2008 AND 2007**

(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Rodinia Minerals Inc. (the "Company") is incorporated under the laws of British Columbia. The Company's principal business activities include the acquisition and exploration of uranium mineral properties domiciled in the United States. The Company is in the exploration stage and has not yet determined whether any of these properties contain ore reserves that are economically recoverable.

As at December 31, 2008, the Company had working capital of \$1,738,574 and has accumulated losses since inception of \$16,958,482. The continuance of the Company's operations is dependent on obtaining sufficient additional financing in order to realize the recoverability of the Company's investments in mineral properties, which is dependent upon the existence of economically recoverable reserves and market prices for the underlying minerals.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

2. SIGNIFICANT ACCOUNTING POLICIES**(a) Basis of Presentation**

These financial statements have been prepared in conformity with Canadian generally accepted accounting principles on a consolidated basis and include the accounts of the Company and its wholly-owned United States subsidiary, Donnybrook Platinum Resources Inc. All significant inter-company balances and transactions have been eliminated upon consolidation. Certain figures presented for comparative purposes have been reclassified to conform to the presentation adopted for the current year.

(b) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Significant areas requiring the use of estimates relate to the recoverability or valuation of receivables, notes receivable and mineral properties, the useful lives of property and equipment, the utilization of future income tax assets, tax rates, the valuation of asset retirement obligations and the measurement of stock-based compensation. Actual results may ultimately differ from those estimates.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash in accounts and securities that on acquisition have a term to maturity of three months or less, or may be redeemed during this period. These investments are highly liquid marketable securities and deposits, which are designated as held-for-trading and are recorded at their fair values. Fair values are determined by reference to quoted market prices at the balance sheet date. Unrealized gains and losses on held-for-trading investments are recognized in income. Investment transactions are recognized on the trade date with transaction costs included in the underlying balance.

RODINIA MINERALS INC.

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**AS AT DECEMBER 31, 2008 AND 2007**

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(d) Marketable Securities**

Marketable securities consist of common shares of a publicly-traded company listed on the TSX Venture Exchange. Marketable securities are classified as held-for-trading and are recorded at their fair values using quoted market prices at the balance sheet date. Unrealized gains or losses on held-for-trading investments are recognized in the statement of operations. Investment transactions are recognized on the trade date. Transaction costs incurred to acquire marketable securities are recognized in the statement of operations when incurred.

(e) Trade Receivables and Payables

Trade receivables and payables are non-interest bearing and are stated at carrying values, which approximate fair values due to the short terms to maturity. Where necessary, trade receivables are net of allowances for uncollectable amounts.

(f) Notes Receivable

Notes receivable are classified as loans and receivables and are initially recorded at their fair values. Notes receivable are subsequently measured at amortized cost using the effective interest method.

(g) Derivative Instruments

Derivative instruments, including embedded derivatives, when held are designated as held for trading and recorded on the balance sheet at fair value. Unrealized gains and losses on derivatives are recorded as part of other income (expense) in net earnings. Fair values for derivative instruments held for trading are determined using valuation techniques. These valuations use assumptions based on market conditions existing at the balance sheet date. Derivatives embedded in non-derivative contracts are recognized separately unless closely related to the host contract.

(h) Mineral Properties

Mineral property acquisition, exploration and development costs are deferred until the property to which they relate is placed into production, sold, allowed to lapse or abandoned. Mineral property acquisition costs include cash consideration and the fair market value of common shares issued for mineral property interests based on the trading price of the shares. These costs will be amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned.

Once commercial production has commenced, the net costs of the applicable property will be charged to operations using the unit-of-production method based on reserves. On an ongoing basis, the Company evaluates each property based on results to date to determine the nature of exploration work that is warranted in the future.

Impairment may occur in the carrying value of mineral interests when one of the following conditions exists:

- (i) the Company's work program on a property has significantly changed, so that previously identified resource targets or work programs are no longer being pursued;
- (ii) exploration results are not promising and no more work is being planned in the foreseeable future; or
- (iii) the remaining lease terms are insufficient to conduct necessary studies or exploration work.

Once impairment has been determined then a portion of the carrying value will be written-down to net realizable value. Amounts shown for mineral properties reflect costs incurred to date, less write-downs, and are not intended to reflect present or future values.

RODINIA MINERALS INC.

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**AS AT DECEMBER 31, 2008 AND 2007**

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(i) Property and Equipment**

Property and equipment is initially recorded at cost. Amortization is subsequently provided using the declining balance basis at the following annual rates:

Furniture and fixtures	30%
Office equipment	20%
Leasehold improvements	5 years

(j) Long-Lived Assets

The recoverability of long-lived assets, which includes property and equipment and mineral property costs, is assessed when an event occurs indicating impairment. Recoverability is based on factors such as future asset utilization and the future undiscounted cash flows expected to result from the use or sale of the related assets. An impairment loss is recognized in the period when it is determined that the carrying amount of the asset will not be recoverable. At that time the carrying amount is written down to fair value.

(k) Asset Retirement Obligations

Future obligations to retire an asset including dismantling, remediation and ongoing treatment and monitoring of the site are initially recognized and recorded as a liability at fair value, based on estimated future cash flows, the Company's current credit adjusted risk-free discount rate and an estimated inflation factor. The liability is adjusted for changes in the expected amounts and timing of cash flows required to discharge the liability and accreted to full value over time through periodic charges to earnings. For operating properties, the amount of the asset retirement liability initially recognized and any subsequent adjustments are capitalized as part of the asset's carrying value and amortized over the asset's estimated useful life. Asset retirement obligations are only recorded when the timing or amount of remediation costs can be reasonably estimated.

(l) Translation of Foreign Currencies and Foreign Subsidiaries

Transactions in foreign currencies are translated into the currency of measurement at the exchange rates in effect on the transaction date. Monetary balance sheet items expressed in foreign currencies are translated into Canadian dollars at the exchange rates in effect at the balance sheet date. The resulting exchange gains and losses are recognized in income.

The Company's integrated foreign subsidiaries are financially or operationally dependent on the Company. The Company uses the temporal method to translate the accounts of its integrated operations into Canadian dollars. Monetary assets and liabilities are translated at the exchange rates in effect at the balance sheet date. Non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at average rates for the period, except for amortization, which is translated on the same basis as the related asset. The resulting exchange gains or losses are recognized in income.

RODINIA MINERALS INC.

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**AS AT DECEMBER 31, 2008 AND 2007**

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(m) Stock-Based Compensation**

The Company has a plan for granting stock options to management, directors, employees and consultants as described in Note 8(c). The Company recognizes compensation expense under this plan using the fair value method in accordance with CICA Handbook section 3870 "Stock-Based Compensation and Other Stock-Based Payments". Under this method, the fair value of stock options granted to employees is recognized as stock-based compensation expense over the vesting period and credited to contributed surplus. Stock options granted to non-employees are measured at their fair value on the vesting date. Prior to the vesting date, the then-current fair value of stock options granted to non-employees is recognized as stock-based compensation expense from the date of grant to the reporting date and credited to contributed surplus. Upon the exercise of stock options, consideration paid and the fair value amounts previously credited to contributed surplus are recorded as share capital. The Company uses the Black-Scholes option-pricing model to estimate the fair value of stock options granted.

(n) Income Taxes

The Company follows the asset and liability method for determining income taxes. Under this method, future income tax assets and liabilities are recognized for temporary differences between the carrying amounts for financial statement purposes and the tax basis for certain assets and liabilities. Future income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which these temporary differences are expected to be settled. The tax effects of changes in these temporary differences are recognized in income in the period in which they occur.

(o) Loss per Share

Basic earnings per share is computed by dividing net earnings by the weighted average number of common shares outstanding during the period. Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding using the treasury stock method, to reflect the potential dilution of securities that could result from the exercise of "in the money" stock options and warrants.

(p) Recent Accounting Pronouncements

Recent accounting pronouncements that have been announced but are not yet effective are as follows:

- (i) CICA 1582, "Business Combinations", CICA 1601, "Consolidated Financial Statements" and CICA 1602, "Non-Controlling Interests"

In January 2009, the CICA issued Section 1582 "Business Combinations" to replace Section 1581. Prospective application of the standard is effective January 1, 2011, with early adoption permitted. This new standard effectively harmonizes the business combinations standard under Canadian GAAP with International Financial Reporting Standards ("IFRS"). The new standard revises guidance on the determination of the carrying amount of the assets acquired and liabilities assumed, goodwill and accounting for non-controlling interests at the time of a business combination. The CICA concurrently issued Section 1601 "Consolidated Financial Statements" and Section 1602 "Non-Controlling Interests," which replace Section 1600 "Consolidated Financial Statements."

RODINIA MINERALS INC.

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**AS AT DECEMBER 31, 2008 AND 2007**

(Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Recent Accounting Pronouncements (continued)

- (i) CICA 1582, "Business Combinations", CICA 1601, "Consolidated Financial Statements" and CICA 1602, "Non-Controlling Interests" (continued)

Section 1601 provides revised guidance on the preparation of consolidated financial statements and Section 1602 addresses accounting for non-controlling interests in consolidated financial statements subsequent to a business combination. These standards are effective January 1, 2011, unless they are early adopted at the same time as Section 1582 "Business Combinations." The Company is currently assessing the impact of adopting these standards and has not yet determined its effect on its financial statements.

- (ii) CICA 3064, "Goodwill and Intangible Assets"

In February 2008, the CICA issued Section 3064, "Goodwill and Intangible Assets," which replaces Section 3062, "Goodwill and Other Intangible Assets." This new standard provides guidance on the recognition, measurement, presentation and disclosure of goodwill and intangible assets and is effective for the Company beginning January 1, 2009. Concurrent with the adoption of this standard, EIC-27, "Revenues and Expenditures in the Pre-operating Period," will be withdrawn. The adoption of this standard is not expected to have a material effect on the Company's financial statements.

- (iii) International Financial Reporting Standards

In February 2008, the CICA Accounting Standards Board confirmed that public companies will be required to prepare interim and annual financial statements under IFRS for fiscal years beginning on or after January 1, 2011. The Company is currently assessing the impact of adopting IFRS and has not yet determined its effect on its financial statements.

3. ADOPTION OF NEW ACCOUNTING STANDARDS

- (a) CICA 3862, "Financial Instruments – Disclosures" and CICA 3863, "Financial Instruments Presentation"

These standards relate to the disclosures and presentation of financial instruments. They apply to interim and annual financial statements for fiscal years beginning on or after October 1, 2007, and must be adopted at the same time, replacing CICA 3861, "Financial Instruments – Disclosure and Presentation". The Company adopted these standards for its interim and annual financial statements for its fiscal year commencing January 1, 2008. The adoption of these standards did not have a material effect on the Company's financial statements.

- (b) CICA 1535, "Capital Disclosures"

This standard relates to the disclosure of capital management strategies. It applies to interim and annual financial statements for fiscal years beginning on or after October 1, 2007. The Company adopted this standard for its interim and annual financial statements for its fiscal year commencing January 1, 2008. The adoption of this standard did not have a material effect on the Company's financial statements.

RODINIA MINERALS INC.

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**AS AT DECEMBER 31, 2008 AND 2007**

(Expressed in Canadian Dollars)

3. ADOPTION OF NEW ACCOUNTING STANDARDS (continued)

(c) CICA 3031, "Inventories"

In June 2007, the CICA issued Section 3031, "Inventories" to replace existing Section 3030. The new section, which is effective January 1, 2008, establishes standards for the measurement and disclosure of inventories. The Company adopted this standard for its interim and annual financial statements for its fiscal year commencing January 1, 2008. The adoption of this standard did not have a material effect on the Company's financial statements.

(d) CICA 1400, "General Standards of Financial Statement Presentation"

In May 2007, the CICA issued amended Handbook Section 1400, "General Standards of Financial Statement Presentation". The section provides revised guidance related to management's responsibility to assess and disclose the ability of an entity to continue as a going concern. This amended standard applies to interim and annual financial statements for fiscal years beginning on or after January 1, 2008. The Company adopted this standard for its interim and annual financial statements for its fiscal year commencing January 1, 2008. The adoption of this standard did not have a material effect on the Company's financial statements.

4. NOTES RECEIVABLE

Notes receivable with a total principal amount of \$75,000 are non-interest bearing and are due on June 20, 2009. The amounts are secured by shares of a publicly-traded company with a market value of \$136,276 at December 31, 2008.

5. PROPERTY AND EQUIPMENT

	Cost	Accumulated Amortization	2008 Net Book Value	2007 Net Book Value
Furniture and equipment	\$ 16,345	\$ 11,938	\$ 4,407	\$ 6,296
Office equipment	19,694	7,684	12,010	10,989
Leasehold improvement	14,364	5,745	8,619	11,491
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 50,403	\$ 25,367	\$ 25,036	\$ 28,776

RODINIA MINERALS INC.

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**AS AT DECEMBER 31, 2008 AND 2007**

(Expressed in Canadian Dollars)

6. MINERAL PROPERTIES

	Workman Creek Arizona	Mormon Lake Arizona	Red Bluff Arizona	White Canyon Utah	Lucky Boy Arizona	Total
2008	\$	\$	\$	\$	\$	\$
Balance, beginning of year	4,478,118	325,067	375,898	1,221,735	13,472	6,414,290
Cost incurred during the year:						
Acquisition costs	38,750	–	87,868	15,000	128,413	270,031
Claims	75,188	44,296	6,389	62,242	1,863	189,978
Consulting	57,356	2,954	6,800	31,228	–	98,338
Drilling & radon surveys	116,008	–	–	218,302	33,122	367,432
Equipment and supplies	11,069	–	–	17,059	–	28,128
Feasibility study	21,895	–	–	–	–	21,895
Field work, labour and supplies	24,345	–	137	23,845	46	48,373
Field administration	14,730	1,618	–	46,866	–	63,214
Legal	12,807	4,054	9,675	488	349	27,373
Reports and Maps	32,224	–	–	7,946	–	40,170
Road construction	–	–	–	24,513	–	24,513
Waterline	–	–	12,090	–	–	12,090
	404,372	52,922	122,959	447,489	163,793	1,191,535
Balance, end of year	4,882,490	377,989	498,857	1,669,224	177,265	7,605,825
2007	\$	\$	\$	\$	\$	\$
Balance, beginning of year	4,214,680	214,564	–	–	–	4,429,244
Cost incurred during the year:						
Acquisition costs	–	–	272,223	635,737	–	907,960
Claims	126,105	–	11,255	69,595	–	206,955
Consulting	82,869	–	19,396	42,718	2,145	147,128
Drilling & radon surveys	–	109,907	–	337,502	–	447,409
Equipment and supplies	6,757	–	386	9,140	689	16,972
Excavation	–	–	–	25,622	6,950	32,572
Field work, labour and supplies	22,721	–	3,451	12,462	1,233	39,867
Field administration	19,996	–	1,189	35,394	2,455	59,034
Legal	4,761	596	67,998	31,098	–	104,453
Mobilization	–	–	–	5,044	–	5,044
Radiometric readings	–	–	–	17,423	–	17,423
Recoveries	(6,754)	–	–	–	–	(6,754)
Reports and Maps	1,469	–	–	–	–	1,469
Site visits	5,514	–	–	–	–	5,514
	263,438	110,503	375,898	1,221,735	13,472	1,985,046
Balance, end of year	4,478,118	325,067	375,898	1,221,735	13,472	6,414,290

RODINIA MINERALS INC.

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**AS AT DECEMBER 31, 2008 AND 2007**

(Expressed in Canadian Dollars)

6. MINERAL PROPERTIES (continued)**(a) Workman Creek, Arizona, United States**

On October 26, 2004, the Company entered into a Letter of Intent ("LOI") with Cooper Minerals, Inc. ("Cooper") with the intention to enter into a formal option agreement which will provide for the acquisition by the Company, through its wholly-owned subsidiary Donnybrook Platinum Resources Inc. ("Donnybrook"), of a 100% interest in the Workman Creek Uranium Deposit Project ("Workman Creek") located in Arizona, United States.

Under the LOI, prior to December 31, 2005, the Company paid to Cooper, \$85,000 cash and advanced funds necessary to carry out the first phase of an exploration program. During the year ended December 31, 2006, the Company paid \$50,000 cash and issued 2,500,000 common shares of the Company valued at \$2,150,000 to Cooper. The Company also issued to third parties 1,500,000 warrants valued at \$754,737, computed using the Black-Scholes option-pricing model, and paid a finders' fee of 227,917 common shares valued at \$136,750, based on the market value of the Company's shares at the date of the LOI. The warrants have an exercise price of \$0.74 and expire on July 18, 2011.

To acquire the interest, an aggregate of US\$2,000,000 in expenditures in connection with maintaining, exploring, developing or equipping any one or more of the mineral claims for commercial production was to be incurred as follows:

- (i) on or before the second anniversary of the date of the LOI, October 26, 2006, not less than an aggregate US\$850,000;
- (ii) on or before the third anniversary of the date of the LOI, October 26, 2007, not less than an aggregate US\$1,400,000; and
- (iii) on or before the fourth anniversary of the date of the LOI, October 26, 2008, not less than an aggregate US\$2,000,000.

On March 19, 2008, the Company and Cooper agreed to amend the terms of the LOI. Under the amendment, the minimum expenditures in Note 6(a)(ii) and (iii) were replaced by:

- (iv) During the twelve-month period ended October 26, 2008, not less than US\$500,000 expended on the Workman Creek, Lucky Boy and Red Bluff mineral properties;
- (v) During the twelve-month period ended October 26, 2009, not less than US\$400,000 expended on the Workman Creek mineral property.

The Company and Cooper also agreed to appoint GeoXplor Corp. as the operator of the project.

The interest in Workman Creek is subject to a 3% net smelter revenue royalty ("NSR"). Under the LOI, the Company has the responsibility to assume all of Cooper's obligations under its underlying agreement with a third party regarding the mineral claims, including the obligation to make advance royalty payments as follows:

2009	US\$50,000
2010	US\$75,000
2011	US\$75,000

Commencing in 2012, the Company is responsible for making payments of US\$100,000 per annum. During the year ended December 31, 2008, the Company paid US\$50,000 (2007 – US\$25,000) in advance royalty payments.

RODINIA MINERALS INC.

(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**AS AT DECEMBER 31, 2008 AND 2007**

(Expressed in Canadian Dollars)

6. MINERAL PROPERTIES (continued)**(a) Workman Creek, Arizona, United States (continued)**

On April 23, 2008, the Company entered into an agreement with Hawk Uranium Inc. ("Hawk") of Toronto, Ontario to acquire an undivided 100% right, title and interest in 69 claims in Gila County, Arizona, which are contiguous to the Company's Workman Creek project. In consideration for the claims, the Company issued 125,000 common shares of the Company to Hawk with a fair value of \$38,750 on the measurement date.

(b) Mormon Lake, Arizona, United States

On November 2, 2005, the Company entered into an agreement with Patriot Power Corp. ("Patriot Power"), a company with a director in common, pursuant to which Patriot Power can earn an option (the "Rodinia Option") to acquire from the Company a 60% interest in 312 unpatented lode mining claims located in Arizona (the "Rodinia Claims").

Patriot Power will earn the option to acquire a 60% interest in the Rodinia Claims upon exercising an option (the "Patriot Power Option") to acquire a 100% interest in 21 unpatented lode mining claims located in Arizona (the "Patriot Power Claims") from Maggie-May Minerals. The Patriot Power Claims are subject to royalties totalling 3%. Upon exercise of the Rodinia Option, Patriot Power is to grant, as consideration to the Company, a 40% interest in the Patriot Power Claims.

The terms of the agreement provide that all operations following the exercise of the Rodinia Option are to be conducted on a joint venture basis between the Company and Patriot Power. The Rodinia Option expires should the Patriot Power Option expire or be cancelled. During the year ended December 31, 2006, the Company advanced US\$450,000 to third parties on behalf of Patriot Power. The Company advanced an additional US\$72,098 during the year ended December 31, 2007. On October 11, 2007, the full amount advanced was settled in exchange for common shares of Patriot Power under the terms described in Note 7.

On June 11, 2008, Patriot Power reached a mineral property option assignment agreement with New Global Ventures International Ltd. ("New Global"), whereby Patriot assigned and transferred to New Global all of its rights, title, interest and obligations in the Patriot Power Claims. In consideration, New Global issued Patriot Power 10,000,000 common shares of New Global.

On October 8, 2008, Patriot Power distributed the 10,000,000 common shares of New Global to its shareholders on a pro-rata basis. The Company received 517,241 shares of New Global (see Note 7).

(c) Lucky Boy, Arizona, United States

On March 17, 2005, Golden Patriot, Corp. ("Golden Patriot") granted the Company the option (the "Lucky Boy Option") to acquire, upon the payment of US\$1, up to an undivided 40% interest in Golden Patriot's interest in the Lucky Boy mineral property in Arizona. The mineral property consists of 14 lode claims on BLM land and 80 acres of State land held by exploration permit for a total of 320 acres. Golden Patriot had an option to acquire up to a 100% interest in the Lucky Boy mineral property (the "Golden Patriot Option") from Handley Minerals Inc. ("Handley"). During the year ended December 31, 2007, Golden Patriot earned a 60% interest in the property by incurring US\$500,000 in exploration and development activities on the Lucky Boy mineral property. During the year ended December 31, 2008, the Company exercised the Lucky Boy Option. As at December 31, 2008, the Company holds a 24% interest in the property.

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6. MINERAL PROPERTIES (continued)**(c) Lucky Boy, Arizona, United States (continued)**

On January 29, 2008, the Company entered into an agreement with Golden Patriot and Handley. In consideration for the Company paying to Handley US\$125,000 owed by Golden Patriot to Handley, Golden Patriot's rights to earn an additional 40% interest in the Lucky Boy mineral property were transferred to the Company. Under the agreement, the Company will earn an additional 10% interest in Lucky Boy for each US\$100,000 in expenditures that the Company incurs on the property on or before March 7, 2010.

The Company is to issue 250,000 shares of its common shares to Handley within 10 business days of receipt by the Company of a production permit with respect to the property and issue a further 250,000 common shares to Handley if the inferred resource exceeds 500,000 lbs of U308 uranium oxide at the earlier of acceptance by the TSX Venture Exchange of a compliant resource estimate, or when actual production exceeds 500,000 lbs.

The interests in the Lucky Boy mineral property are subject to a 3% royalty.

(d) Red Bluff, Arizona, United States

On April 18, 2007, the Company entered into a mineral lease agreement (the "Agreement") with Ethel Schell Larsen's Red Bluff Mine, LLC ("Red Bluff"), to explore, develop and mine 26 unpatented lode mining claims and two permitted mill site claims (the "Claims"), located in Gila County, Arizona. The Agreement also gives the Company the option to purchase, at commercially prevailing rates, water associated with water rights owned by Red Bluff. Red Bluff will receive a 3% Yellowcake royalty in respect of uranium mined from the Claims, and a 3% net smelter return royalty in respect of all other ores mined from the Claims.

The Agreement, which received approval from the TSX Venture Exchange (the "TSX") on August 2, 2007, gives the Company the exclusive right of exploration and mining for a period of 17 years. To keep the Agreement in good standing, the Company must pay to Red Bluff:

(i) US\$600,000 in rental payments as follows:

- (1) US\$75,000 upon execution of the agreement, April 18, 2007 (paid);
- (2) US\$75,000 on or before April 18, 2008 (paid);
- (3) US\$100,000 on or before April 18, 2009;
- (4) US\$100,000 on or before April 18, 2010;
- (5) US\$100,000 on or before April 18, 2011;
- (6) US\$150,000 on or before April 18, 2012;

(ii) An aggregate of 1,200,000 common shares of the Company (the "Shares") as follows:

- (1) 200,000 common shares upon approval from the TSX, August 2, 2007 (issued at a fair value of \$138,000);
- (2) 200,000 common shares on or before August 2, 2008 (issued at a fair value of \$12,000);
- (3) 200,000 common shares on or before August 2, 2009;
- (4) 200,000 common shares on or before August 2, 2010;
- (5) 200,000 common shares on or before August 2, 2011;
- (6) 200,000 common shares on or before August 2, 2012;

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6. MINERAL PROPERTIES (continued)**(d) Red Bluff, Arizona, United States (continued)**

(iii) 1,000,000 non-transferable share purchase warrants to purchase common shares of the Company expiring April 18, 2012 at \$1.00 per share (the "Warrants") vesting as follows:

- (1) 250,000 common shares on or before April 18, 2009;
- (2) 250,000 common shares on or before April 18, 2010;
- (3) 500,000 common shares on or before April 18, 2011;

(iv) Expending an aggregate of US\$1,000,000 on exploration and development of the Claims on or before the fifth anniversary of the date of execution of the Agreement, April 19, 2012, subject to minimum cumulative expenditures as follows:

- (1) US\$100,000 on or before April 18, 2008 (incurred);
- (2) US\$200,000 on or before April 18, 2009;
- (3) US\$300,000 on or before April 18, 2010;
- (4) US\$600,000 on or before April 18, 2011;
- (5) US\$1,000,000 on or before April 18, 2012;

After year five, the Company will pay annual advance royalty payments to Red Bluff of US\$150,000 for each of years 6 through 15 and US\$200,000 for each of years 16 and 17.

In addition, the TSX approved a finder's fee in the amount of \$122,500 to be paid in stages over a four year period to an independent third party as follows:

- (1) \$22,685 upon approval from the TSX, August 2, 2007 (paid)
- (2) \$19,282 on or before August 2, 2008 (waived);
- (3) \$19,283 on or before August 2, 2009;
- (4) \$28,356 on or before August 2, 2010;
- (5) \$32,894 on or before August 2, 2011;

(e) White Canyon, Utah, United States

On September 7, 2007, the Company entered into a letter of agreement with GeoXplor Corp. ("GeoXplor") in respect of 501 unpatented lode mining claims comprising 10 Claim Blocks covering a total of 4,000 hectares located in the White Canyon District of S.E. Utah, United States (the "Claims"). By paying GeoXplor an aggregate US\$200,000 to defray its staking expenses, the Company and Donnybrook have, pursuant to the terms of the Agreement, acquired a 50% interest in the Claims, subject to a 3% Yellowcake royalty in respect of uranium mined from the Claims, and a 3% net smelter return royalty in respect of all other ores mined from the Claims, (together, the "Royalty") reserved by GeoXplor (the "Rodinia Interest").

The agreement, which received TSX approval on October 31, 2007, gives the Company the option (the "Option") to acquire GeoXplor's remaining 50% interest, subject to the Royalty (the "GeoXplor Interest"), by:

- (i) paying to GeoXplor an aggregate US\$100,000 (the "Cash Payments"), as follows:
 - (1) US\$50,000 on delivery by GeoXplor of a recordable Quit Claim Deed in respect of the 50% interest in the Claims, subject to the Royalty, already acquired by Rodinia and Donnybrook (the "Acquisition Date" – September 7, 2007)(paid); and
 - (2) an additional US\$50,000 on the date that all requisite permits are issued to drill at least one hole on any of the Claims (the "Permitting Date" – August 9, 2007)(paid);

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6. MINERAL PROPERTIES (continued)

(e) White Canyon, Utah, United States (continued)

- (ii) issuing to GeoXplor an aggregate 4,000,000 common shares of the Company, as follows:
 - (1) 250,000 shares on the Acquisition Date (issued at a fair value of \$147,500, equal to the market price of the shares on the measurement date);
 - (2) an additional 250,000 shares on the Permitting Date (issued at a fair value of \$147,500, equal to the market price of the shares on the measurement date);
 - (3) an additional 250,000 shares on or before August 9, 2008 (issued at a fair value of \$15,000, equal to the market price of the shares on the measurement date);
 - (4) an additional 250,000 shares on or before August 9, 2009;
 - (5) an additional 250,000 shares on or before August 9, 2010;
 - (6) an additional 250,000 shares on or before August 9, 2011; and
 - (7) an additional 250,000 shares for each Claim Block in respect of which a decision is made to proceed with commercial production on such Claim Block (for an aggregate of up to 2,500,000 shares); and
- (iii) incurring expenditures of not less than an aggregate US\$3,000,000 by the following dates:
 - (1) US\$500,000 on or before August 9, 2008 (incurred);
 - (2) an additional US\$750,000 on or before August 9, 2009;
 - (3) an additional US\$750,000 on or before August 9, 2010; and
 - (4) an additional US\$1,000,000 on or before August 9, 2011.

The Company obtained drill permits and commenced its drill program on October 1, 2007.

7. INVESTMENT

During the year ended December 31, 2006, the Company advanced US\$450,000 (\$517,320) to a third party on behalf of Patriot Power as described in Note 6(b). During the year ended December 31, 2007, the Company advanced a further US\$72,098 (\$70,803) to the same third parties on behalf of Patriot Power. On October 11, 2007, the Company and Patriot Power entered into an agreement whereby 1,500,000 common shares of Patriot Power were received by the Company in settlement of the advances. The amount of the advances receivable on October 11, 2007, was used to measure this non-monetary transaction, as the fair value of the advances was considered more reliably measurable than the fair value of the shares of Patriot Power, which was a private company. The advances of US\$522,098 (\$508,680) became the carrying value of the investment and a foreign exchange loss of \$79,443 was recognized and charged to operations. The advances were non-interest bearing, unsecured and had no fixed terms of repayment.

On June 11, 2008, Patriot Power reached a mineral property option assignment agreement with New Global (see Note 6(b)), whereby Patriot assigned and transferred to New Global all of its rights, title, interest and obligations in the Patriot Power Claims. In consideration, New Global issued Patriot Power 10,000,000 common shares of New Global. On October 8, 2008, Patriot Power distributed the 10,000,000 common shares of New Global to its shareholders on a pro-rata basis. The Company received 517,241 shares of New Global with a fair value of \$155,172, resulting in write-down of its investment of \$353,508. As at December 31, 2008, the fair value of the common shares of New Global has been presented as marketable securities in the balance sheet.

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8. SHARE CAPITAL

(a) Authorized Share Capital

Unlimited common shares without par value

(b) Issued and Outstanding Share Capital

	Number of Shares	Amount
Balance, December 31, 2006	21,570,123	\$ 21,976,833
Issued during the year:		
For cash:		
Exercise of stock options	122,500	112,700
Exercise of warrants	751,230	668,907
Exercise of agent unit options	76,411	49,667
Exercise of agent warrants	146,953	146,285
Transfers from contributed surplus:		
Exercise of stock options	–	107,910
Exercise of warrants	–	925,910
Exercise of agents' options	–	100,656
Exercise of agents' warrants	–	140,713
For property – Red Bluff (Note 6(d))	200,000	138,000
For property – White Canyon (Note 6(e))	500,000	295,000
Balance, December 31, 2007	23,367,217	24,662,581
Issued during the year:		
For property – Hawk Uranium (Note 6(a))	125,000	38,750
For property – Red Bluff (Note 6(d))	200,000	12,000
For property – White Canyon (Note 6(e))	250,000	15,000
Balance, December 31, 2008	23,942,217	\$ 24,728,331

(c) Stock Options

The Company has a plan to grant stock options to directors, officers, employees and consultants of the Company. Under the plan, the board of directors has the discretion to issue the equivalent of up to 10% of the issued and outstanding shares of the Company from time to time. Stock options are generally exercisable for a term of up to five years from the date of grant. Vesting terms are determined by the directors at the time of grant.

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8. SHARE CAPITAL (continued)

(c) Stock Options (continued)

Stock option activity since December 31, 2006 is presented below:

	Number of Shares	Weighted Average Exercise Price
Outstanding, December 31, 2006	1,935,000	\$ 0.70
Granted	700,000	0.90
Exercised	(122,500)	0.92
Expired	(290,000)	0.92
Outstanding, December 31, 2007	2,222,500	0.72
Granted	247,500	0.27
Expired	(135,000)	0.25
Outstanding, December 31, 2008	2,335,000	\$ 0.11

During the year ended December 31, 2008, the Company modified 2,200,000 stock options as follows:

Number of Options	Original Exercise Price	New Exercise Price	Original Expiry Date	New Expiry Date
150,000	\$0.30	\$0.10	April 13, 2009	December 11, 2013
7,500	\$1.00	\$0.10	March 7, 2010	December 11, 2013
400,000	\$0.70	\$0.10	August 31, 2010	December 11, 2013
30,000	\$0.80	\$0.10	October 2, 2010	December 11, 2013
400,000	\$0.72	\$0.10	November 28, 2010	December 11, 2013
400,000	\$0.75	\$0.10	December 1, 2011	December 11, 2013
300,000	\$1.00	\$0.10	March 7, 2012	December 11, 2013
400,000	\$0.83	\$0.10	July 29, 2012	December 11, 2013
112,500	\$0.30	\$0.10	June 6, 2013	December 11, 2013
2,200,000				

For these modifications, the Company recorded an incremental value of \$45,677 in stock-based compensation expense.

The following table summarizes stock options outstanding and exercisable at December 31, 2008:

Options Outstanding			Options Exercisable		
Exercise Price \$	Number of Shares	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price \$	Number Exercisable	Weighted Average Exercise Price \$
0.10	2,200,000	4.9	0.10	2,200,000	0.10
0.25	135,000	4.7	0.25	135,000	0.25
0.10 – 0.25	2,335,000	4.9	0.11	2,335,000	0.11

Stock options outstanding at December 31, 2008 will expire between September 2, 2013 and December 11, 2013.

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8. SHARE CAPITAL (continued)

(d) Warrants

Warrant activity since December 31, 2006 is presented below:

	Number of Shares	Purchase Price Per Share
Outstanding, December 31, 2006	4,047,306	\$ 0.74 – 1.10
Granted (Note 6(d))	1,000,000	1.00
Exercised	(751,230)	0.74 – 0.90
Expired	(41,076)	0.90
Outstanding, December 31, 2007	4,255,000	0.74 – 1.26
Expired	(800,000)	1.10
Outstanding, December 31, 2008	3,455,000	\$ 0.32 – 1.00

During the year ended December 31, 2007, the Company modified the terms of 1,000,000 warrants issued in its June 2, 2006 private placement, extending the expiry date from June 2, 2007 to June 2, 2008. The Company also modified the terms of 800,000 warrants issued in its January 3, 2006 private placement, extending the expiry date from January 3, 2007 to January 3, 2008 and amending the exercise price from \$1.10 to \$1.26. As these warrants were not issued as awards to employees, or in reciprocal transactions for goods and services with non-employees, there was no effect on the Company's financial statements from these modifications. No additional cash has been received from the holders of these warrants in relation to the modifications.

On May 16, 2008, the Company further modified the terms of the 1,000,000 warrants issued in its June 2, 2006 private placement, extending the expiry date from June 2, 2008 to June 2, 2010 and amending the exercise price from \$1.10 to \$0.32. Under the terms of the modification, should the closing price for the Company's common shares close trading on the TSX Venture Exchange at \$0.43 or greater for a period of ten consecutive trading days, the expiry date will be the earlier of 30 days after this date and June 2, 2010.

Warrants outstanding at December 31, 2008 expire between June 2, 2010 and July 18, 2011.

(e) Agent Unit Options

Agent unit option activity since December 31, 2006 is presented below:

	Number of Units	Exercise Price per Unit
Outstanding, December 31, 2006	76,411	\$ 0.65
Exercised	(76,411)	0.65
Outstanding, December 31, 2007 and 2008	–	\$ –

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8. SHARE CAPITAL (continued)

(f) Agent Warrants

Agent warrant activity since December 31, 2006 is presented below:

	Number of Shares	Purchase Price per Share
Outstanding, December 31, 2006	179,842	\$ 0.80 – 1.10
Granted	38,204	0.90
Exercised	(146,953)	0.80 – 1.10
Expired	(71,093)	1.10
Outstanding, December 31, 2007 and 2008	–	\$ –

9. CONTRIBUTED SURPLUS

	2008	2007
Balance, beginning of year	\$ 1,890,995	\$ 2,811,417
Stock-based compensation (Note 10)	97,044	354,767
Transferred to share capital upon exercise of stock options	–	(107,910)
Transferred to share capital upon exercise of warrants	–	(925,910)
Transferred to share capital upon exercise of agent unit options	–	(100,656)
Transferred to share capital upon exercise of agent warrants	–	(140,713)
Balance, end of year	\$ 1,988,039	\$ 1,890,995

10. STOCK-BASED COMPENSATION

During the year ended December 31, 2008, the Company granted 247,500 (2007 – 700,000) stock options to directors and consultants of the Company. The weighted average fair value of each stock option granted was \$0.21 (2007 – \$0.51), calculated using the Black-Scholes option-pricing model on the date of grant using the following assumptions:

	2008	2007
Expected option lives	5 years	3 years
Expected dividend yield	0%	0%
Risk-free interest rate	3.1%	4.3%
Expected stock price volatility	101%	83%

During the year ended December 31, 2008, the Company recognized \$97,044 (2007 – \$354,767) of compensation cost in stock-based compensation expense.

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11. INCOME TAXES

In assessing the realization of the Company's future income tax assets, management considers whether it is more likely than not that some portion of all of the future tax assets will not be realized. The ultimate realization of future tax assets is dependent upon the generation of taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of future tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of future tax assets considered realizable could change materially in the near term based on future taxable income during the carry-forward period.

(a) The significant components of the Company's future income tax assets are as follows:

	2008	2007
Future income tax assets:		
Non-capital tax losses carried forward	\$ 532,000	\$ 557,000
Capital losses carried forward	123,000	90,000
Share issue costs	25,000	47,000
Property and equipment	5,000	4,000
Mineral properties	451,000	564,000
Unrealized capital losses	10,000	—
Unrealized foreign exchange loss	—	26,000
Total gross future income tax assets	1,146,000	1,288,000
Valuation allowance	(1,146,000)	(1,288,000)
Net future income tax assets	\$ —	\$ —

(b) As at December 31, 2008, the Company has non-capital losses carried forward for income tax purposes available to reduce taxable income in future years of \$2,130,000 expiring as follows:

2009	96,000
2010	81,000
2014	168,000
2015	410,000
2026	509,000
2027	384,000
2028	482,000

(c) The Company is subject to federal and provincial taxes at an approximate rate of 31% (2007 – 32.5%). The reconciliation of the provision for income taxes at the statutory rate compared to the Company's income taxes as reported is as follows:

	2008	2007
Expected income tax recovery	\$ (299,000)	\$ (255,000)
Permanent differences	132,000	127,000
Change in tax rates	377,000	—
Change in estimates	(68,000)	(8,000)
Change in valuation allowance	(142,000)	136,000
Income tax recovery	\$ —	\$ —

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12. LOSS PER SHARE

The weighted average number of shares outstanding used in the computation of loss per share was 23,461,000 (2007 – 22,656,000). Outstanding stock options and warrants have not been considered in the computation of diluted loss per share, as the result is anti-dilutive.

13. SUPPLEMENTAL CASH FLOW INFORMATION

	2008	2007
Cash paid for:		
Interest	\$ –	\$ –
Income taxes	–	–
Non-cash financing and investing activities:		
Marketable securities received for settlement of investment	77,586	–
Notes receivable received for settlement of deposit	75,000	–
Shares received for settlement of loan receivable	–	508,680
Shares issued for Workman Creek mineral property	38,750	–
Shares issued for Red Bluff mineral property	12,000	138,000
Shares issued for White Canyon mineral property	\$ 15,000	\$ 295,000

14. RELATED PARTY TRANSACTIONS AND BALANCES

During the year ended December 31, 2008 the Company entered into the following transactions with related parties:

- (a) Consulting fees of \$48,000 (2007 – \$48,000) were paid to a company controlled by a director of the Company. The amounts paid have been included in management and consulting fees in the statement of operations.
- (b) On June 18, 2007, the Company advanced US\$170,000 (\$178,428) to a third party with respect to a potential joint venture uranium property. The Company decided not to proceed with the joint venture. A director of the Company repaid the advance on behalf of the third party on December 31, 2007. The advance was non-interest bearing, unsecured and had no fixed terms of repayment.

The above transactions were in the normal course of operations and were recorded at their exchange amounts, which is the consideration agreed upon by the related parties.

15. FINANCIAL INSTRUMENTS

- (a) Fair Value of Financial Instruments

The Company has various financial instruments including cash and cash equivalents, marketable securities, receivables, notes receivable, reclamation bond and accounts payable and accrued liabilities. The carrying values of cash and cash equivalents, receivables and accounts payable and accrued liabilities approximate their fair values due to their short terms to maturity. The carrying values of marketable securities, notes receivable and reclamation bond approximate their fair values.

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15. FINANCIAL INSTRUMENTS (continued)**(b) Credit Risk**

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's primary counterparty related to its cash and cash equivalents and marketable securities carry an investment grade rating as assessed by external rating agencies. The Company maintains all of its cash and cash equivalents and marketable securities with a major financial institution domiciled in Canada. Deposits held with these institutions may exceed the amount of insurance provided on such deposits.

Receivables include \$3,176 of interest receivable on cash equivalents. Notes receivable are secured by shares of a publicly-traded company with a market value of \$136,276 at December 31, 2008 (see Note 4). Reclamation bonds have been deposited with an agency of the United States government. The Company's maximum exposure to credit risk at the balance sheet date is the carrying value of cash and cash equivalents, marketable securities, receivables and reclamation bond.

(c) Foreign Currency Risk

As the Company operates on an international basis, foreign exchange risk exposures arise from transactions and balances denominated in foreign currencies. The Company's foreign currency risk arises primarily with respect to the United States dollar. Fluctuations in the exchange rates between this currency and the Canadian dollar could have a material effect on the Company's business, financial condition and results of operations. The Company does not engage in any hedging activity to mitigate this risk.

As at December 31, 2008, the Company had cash equivalents of US\$106,500 denominated in United States dollars. A strengthening (weakening) of the Canadian dollar against the United States dollar of 10% would result in an insignificant effect on net loss.

(d) Liquidity Risk

The Company manages liquidity risk by maintaining adequate cash and cash equivalent balances and marketable securities. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities.

(e) Interest Rate Risk

The Company's cash equivalents are subject to interest rate cash flow risk as they carry variable rates of interest. The Company's interest rate risk management policy is to purchase highly liquid investments with a term to maturity of one year or less on the date of purchase.

16. COMMITMENTS

The Company has entered into operating lease commitments for premises and office equipment as follows:

	\$
2009	122,628
2010	122,628
2011	40,876

The Company sub-leases its office premises to various third parties on a month-to-month basis. The Company has various other commitments described in Note 6.

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17. SUBSEQUENT EVENTS

On January 21, 2009, the Company entered into a memorandum of understanding with GeoXplor Corp. ("GeoXplor") in respect of 250 unpatented mining claims located in the Clayton Valley, Nevada ("Clayton Valley mineral property"). On February 10, 2009, the Company entered into a formal agreement with GeoXplor under which the Company was granted the option to purchase a 100% interest in the Clayton Valley mineral property, subject to a 3% royalty in respect of lithium carbonate production and all other ores or minerals mined or extracted from the property (the "Royalty"). To exercise the option the Company must pay to GeoXplor:

(a) An aggregate of US\$322,000 as follows:

- (i) US\$25,000 upon the execution of the agreement (paid on February 10, 2009);
- (ii) US\$72,000 on the date of TSX Venture Exchange approval (Approved March 16, 2009);
- (iii) US\$25,000 on or before the first anniversary of the Approval Date;
- (iv) US\$25,000 on or before the second anniversary of the Approval Date;
- (v) US\$50,000 on or before the third anniversary of the Approval Date;
- (vi) US\$125,000 on or before the fourth anniversary of the Approval Date;

(b) An aggregate of 2,500,000 common shares of the Company as follows:

- (i) 500,000 common shares upon approval from the TSX Venture Exchange (issued on March 23, 2009);
- (ii) 500,000 common shares on or before the first anniversary of the Approval Date;
- (iii) 500,000 common shares on or before the second anniversary of the Approval Date;
- (iv) 500,000 common shares on or before the third anniversary of the Approval Date;
- (v) 500,000 common shares on or before the fourth anniversary of the Approval Date.

(c) Expending an aggregate of US\$2,000,000 on exploration and development on the property before the fourth anniversary of the Approval Date, subject to minimum cumulative expenditures as follows:

- (i) US\$300,000 on or before the first anniversary of the Approval Date;
- (ii) US\$700,000 on or before the second anniversary of the Approval Date;
- (iii) US\$1,300,000 on or before the third anniversary of the Approval Date;
- (iv) US\$2,000,000 common shares on or before the fourth anniversary of the Approval Date.

The Royalty may be purchased at any time by the Company, in whole or in part, for US\$1,000,000 for each 1%.

The Agreement also provides that if, at any time, the Company, its assignee or third party joint venturer, (i) delivers a positive feasibility study in respect of the property, or (ii) sells, options, assigns, disposes or otherwise alienates all or a portion of its interest in the property, the Company will pay GeoXplor US\$2,000,000 in cash, or, at the election of GeoXplor, that number of common shares of the Company having a fair value of US\$2,000,000, determined on the basis of the closing market price per share of the Company's common shares on the last trading day preceding GeoXplor's election.