MANTLE RESOURCES INC.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NINE MONTHS ENDED MARCH 31, 2008 and 2007
(UNAUDITED – PREPARED BY MANAGEMENT)

MANTLE RESOURCES INC.

NOTICE OF NO AUDITOR REVIEW OF CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim consolidated financial statements, they must be accompanied by a notice indicating that the consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these interim consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim consolidated financial statements by an entity's auditors.

May 29, 2008

MANTLE RESOURCES INC.

CONSOLIDATED INTERIM BALANCE SHEETS
AS AT MARCH 31, 2008 AND JUNE 30, 2007
(UNAUDITED – PREPARED BY MANAGEMENT)

		March 31, 2008		June 30, 2007
		(unaudited)		(audited)
ASSETS				
Current				
Cash and cash equivalents	**$**	**6,229,620**	$	9,148,681
Deposits held in trust		**13,000**		13,000
Receivables		**602,615**		340,794
Prepaid expenses		**335,824**		711,362
		7,181,059		10,213,837
Loan receivable (Note 5(d))		**50,000**		–
Reclamation bond		**25,000**		25,000
Equipment and leasehold improvements		**12,352**		8,958
Resource properties (Note 2)		**41,093,564**		30,316,332
	$	**48,361,975**	$	40,564,127
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	**$**	**799,993**	$	1,439,367
Shareholders' equity				
Capital stock (Note 3)		**56,425,699**		47,072,442
Contributed Surplus (Note 3)		**6,722,125**		3,601,781
Deficit		**(15,585,842)**		(11,549,463)
		47,561,982		39,124,760
	$	**48,361,975**	$	40,564,127

Subsequent events (Note 6)

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

MANTLE RESOURCES INC.

CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE NINE MONTHS ENDED MARCH 31, 2008 AND 2007
(UNAUDITED – PREPARED BY MANAGEMENT)

	Three months ended March 31,		Nine months ended March 31,	
	2008	2007	**2008**	2007
ADMINISTRATION EXPENSES				
Administration	**$ 15,000**	$ 7,500	**$ 45,000**	$ 22,500
Amortization	**1,106**	687	**2,432**	2,057
Bank charges	**911**	967	**2,973**	2,526
Consulting (recovery)	**160,155**	(7,414)	**176,875**	179,647
Flow-through taxes	**30,368**	31,957	**30,368**	31,957
Investor relations (recovery)	**(122,609)**	208,128	**79,528**	208,128
Management fees	**37,500**	211,124	**112,500**	256,124
Office and miscellaneous	**26,087**	15,242	**44,429**	37,166
Professional fees	**10,867**	2,390	**54,715**	72,780
Regulatory fees	**12,105**	7,280	**25,265**	11,666
Rent	**15,074**	4,348	**44,888**	13,897
Stock-based compensation	**1,402,891**	47,201	**3,222,271**	701,219
Transfer agent fees	**2,602**	3,274	**15,450**	14,107
Travel and promotion	**81,074**	43,370	**144,451**	83,180
Wages and benefits	**115,960**	131,186	**274,837**	148,037
Loss before other items	**(1,789,091)**	(707,240)	**(4,275,982)**	(1,784,991)
OTHER ITEMS				
Interest income	**52,147**	64,281	**239,603**	154,339
Gain on sale of marketable securities	**–**	–	**–**	12,168
Loss on sale of capital asset	**–**	(12,873)	**–**	(12,873)
Write-off of capital assets	**–**	(1,485)	**–**	(1,485)
Write-off of resource properties	**–**	(3,000)	**–**	(3,000)
Write-off of marketable securities	**–**	(29,677)	**–**	(28,531)
	52,147	17,246	**239,603**	120,618
Loss for the period	**(1,736,944)**	(689,994)	**(4,036,379)**	(1,664,373)
Deficit, beginning of period	**(13,848,898)**	(11,104,266)	**(11,549,463)**	(10,129,887)
Deficit, end of period	**$(15,585,842)**	$(11,794,260)	**$(15,585,842)**	$(11,794,260)
Basic and diluted loss per share	**$ (0.03)**	$ (0.01)	**$ (0.06)**	$ (0.05)
Weighted average number of shares outstanding	**69,095,730**	42,032,198	**67,560,557**	34,213,221

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

MANTLE RESOURCES INC.
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED MARCH 31, 2008 AND 2007
(UNAUDITED – PREPARED BY MANAGEMENT)

	Three months ended March 31,		Nine months ended March 31,	
	2008	2007	**2008**	2007
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the period	**$ (1,736,944)**	$ (689,994)	**$ (4,036,379)**	$ (1,664,373)
Items not affecting cash:				
Amortization	**1,106**	687	**2,432**	2,057
Gain on sale of marketable securities	–	–	**–**	(12,168)
Loss on sale of asset	–	12,873	–	12,873
Stock-based compensation	**1,402,891**	47,201	**3,222,271**	701,219
Write-off of capital assets	–	1,485	**–**	1,485
Write-off of resource properties	–	3,000	**–**	3,000
Write-off of marketable securities	–	29,677	**–**	28,531
Changes in non-cash working capital items:				
Receivables	**(100,477)**	(46,815)	**(261,821)**	34,576
Prepaid expenses	**203**	(3,176)	**3,073**	(3,176)
Deposits held in trust	–	(269,875)	**–**	(269,875)
Accounts payable and accrued liabilities	**199,074**	201,493	**(639,374)**	(16,750)
Loan receivable (Note 5(d))	–	–	**(50,000)**	–
Cash used in operating activities	**(234,147)**	(713,444)	**(1,759,798)**	(1,182,601)
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash acquired upon take-over of Ecstall	**–**	535,302	**–**	535,302
Proceeds on sale of capital assets	**–**	17,100	**–**	17,100
Proceeds on sale of marketable securities	**–**	–	**–**	79,280
Purchase of marketable securities	**–**	–	**–**	(135,640)
Purchase of equipment	**(3,537)**	–	**(5,826)**	(812)
Resource property (costs) recovery	**(1,454,260)**	279,667	**(10,270,050)**	(2,065,391)
Cash used in investing activities	**(1,457,797)**	832,069	**(10,275,876)**	(1,570,161)
CASH FLOWS FROM FINANCING ACTIVITIES				
Share subscriptions	–	2,564,500	–	2,564,500
Issuance of capital stock, net of issuance costs	**67,413**	(376,000)	**9,116,613**	4,028,424
Cash provided by financing activities	**67,413**	2,188,500	**9,116,613**	6,592,924
Change in cash and cash equivalents during the period	**(1,624,531)**	2,307,125	**(2,919,061)**	3,840,162
Cash and cash equivalents, beginning of period	**7,854,151**	6,453,574	**9,148,681**	4,920,537
Cash and cash equivalents, end of period	**$ 6,229,620**	$ 8,760,699	**$ 6,229,620**	$ 8,760,699
Cash and cash equivalents				
Cash	**$ 114,260**	$ 3,381,699	**$ 114,260**	$ 3,381,699
Guaranteed Investment Certificate	**$ 6,115,000**	$ 5,379,000	**$ 6,115,000**	$ 5,379,000

Supplemental disclosure with respect to cash flows (Note 4)

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

1. BASIS OF PRESENTATION

These consolidated interim financial statements have been prepared using Canadian generally accepted accounting principles (Canadian GAAP). The consolidated interim financial statements include normal recurring adjustments, which in management's opinion, are necessary for a fair presentation of the financial results of the interim period presented.

The disclosures in these statements do not conform in all aspects to the requirements of Canadian GAAP for annual financial statements. These statements follow the same accounting policies and methods of their application as the most recent annual financial statements. These statements should be read in conjunction with the Company's June 30, 2007 consolidated financial statements and notes thereto.

2. RESOURCE PROPERTIES

Summary of expenditure incurred on various properties during the period ended March 31, 2008:

	Akie Property	DA	Kechika Regional	Total
Acquisition Costs:				
Balance June 30, 2007	$ 23,881,336	$ 70,930	$ 310,439	$ 24,262,705
Additions	357,210	75	117,000	474,285
Balance, March 31, 2008	24,238,546	71,005	427,439	24,736,990
Deferred Exploration Costs:				
Balance June 30, 2007	6,050,418	–	3,209	6,053,627
Additions:				
Geological Consulting	262,543	81,960	7,480	351,983
Drilling	8,530,430	–	–	8,530,430
Environmental studies	649,644	–	–	649,644
Road construction	699,199	–	71,691	770,890
Balance, March 31, 2008	16,192,234	81,960	82,380	16,356,574
March 31, 2008	**$ 40,430,780**	**$ 152,965**	**$ 509,819**	**$ 41,093,564**

Title to resource properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many resource properties. The Company has investigated title to all of its resource properties and, to the best of its knowledge, title to all of its properties are in good standing.

DA Property, Northwest Territories

The Company holds an 8.2% interest, subject to a 5% gross overriding royalty ("GOR") on diamonds, a 5% net smelter returns ("NSR") royalty on other minerals, and a 10% net profits interest ("NPI"), in certain mineral claims located in the Northwest Territories. Pursuant to an amended and restated Mineral Property Option Agreement, dated August 30, 1998, the Company has the option to reduce the GOR and NSR interests to 2.25% and 2%, respectively, and eliminate entirely the NPI by completing certain share issuances and cash payments to the original property owner within 90 days of a production decision.

2. RESOURCE PROPERTIES (cont'd…)

Akie Property, British Columbia

The Company owns a 100% interest in the Akie property, which resulted from Company expenditures and the acquisition of Ecstall Mining Corporation.

Kechika Regional, British Columbia

On March 28, 2007, the Company entered into an agreement pursuant to which the Company would have an option to earn an initial 60% interest in Megastar Development Corp. ("Megastar") SEDEX zinc properties located in Northeastern British Columbia. The Company would be the operator and can earn a 60% interest in Megastar's properties as follows:

(i) Payment to Megastar of $50,000 and the issuance of 50,000 shares of the Company upon signing a definitive agreement (paid and issued);

(ii) The issuance of 50,000 shares of the Company nine months from signing a definitive agreement (issued) (Note 3);

(iii) Payment to Megastar of $100,000 and the issuance of 25,000 shares of the Company on or before the first anniversary of the signing of the definitive agreement; and

(iv) Spending $2.25 million in exploration and development over a three-year period.

Subsequent to the period ended March 31, 2008, the Company terminated its options agreement with Megastar (Note 6(a)).

During the year ended June 30, 2007, the Company acquired the following properties pursuant to the acquisition of Ecstall Mining Corporation.

- Kechika South Properties, Omineca Mining Division. The Company owns a 100% interest in two properties,
- Kechika North Properties, Liard Mining Division. The Company owns 100% interest in three properties of which, certain claims are subject to a 0.5% net smelter royalty.

On May 8, 2007, the Company entered into an agreement with Dwayne Edward Kress pursuant to which the Company has acquired a 100 % interest in 24 mineral claims located in the Kechika mining division of British Columbia. As consideration for the claims, the Company paid $5,000 in cash and issued 20,000 common shares of the Company.

On May 28, 2007, the Company entered into an agreement with 747080 B.C. Ltd and David Heyman pursuant to which the Company has acquired a 100 % interest in eight mineral claims located in the Kechika mining division of British Columbia. As consideration for the claims, the Company paid $20,000 in cash.

Mt Alcock Property, British Columbia
The Company owns a 100% interest subject to a 1.0 % NSR, in the Mt Alcock property. The Company paid $75,000 and issued 100,000 shares on October 20, 2006 and issued 100,000 shares on July 6, 2007.

West Range Property, British Columbia
The Company owns a 100% interest in the West Range property which was earned by making a $10,000 payment.

3. CAPITAL STOCK

(a) Authorized and issued

	Number of Shares		Amount	Contributed Surplus
Authorized				
Unlimited common shares without par value				
Issued				
As at June 30, 2007	62,302,103	$	47,072,442	$ 3,601,781
Acquisition of property (i),(ii)	150,000		108,000	–
Ecstall take-over bid (iv)	24,291		26,718	–
Exercise of warrants (vi)	211,224		175,790	
Exercise of options (vii)	197,500		203,302	(101,927)
Private placements (iii), (v)	6,220,000		9,321,000	–
Share issuance costs (iii), (v)	–		(481,553)	–
Stock based compensation	–		–	3,222,271
As at March 31, 2008	69,105,118	$	56,425,699	$ 6,722,125

During the period ended March 31, 2008:

(i) 100,000 shares were issued at a value of $0.55 per share towards the acquisition of the Mt Alcock Property.

(ii) 50,000 shares were issued at a value of $1.06 per share pursuant to the definitive agreement with Megastar (Note 2).

(iii) the Company completed a non-brokered private placement on August 13, 2007 of 3,500,000 flow-through shares at a price of $1.50 per share and 550,000 non flow-through shares at a price of $1.25 per share for total gross proceeds of $5,937,500. An aggregate of $252,350 was paid as finders' fees and another $49,160 was paid in legal and regulatory costs on this private placement.

(iv) the Company issued another 24,291 shares as part of Ecstall take-over. A total of $14,234 was incurred as costs associated with the take-over bid.

(v) the Company completed a non-brokered private placement on December 4, 2007 of 1,875,000 flow-through shares at a price of $1.60 per share and 295,000 non flow-through shares at a price of $1.30 per share for total gross proceeds of $3,383,500.

An aggregate of $145,000 was paid as finders' fees and another $20,809 was paid in legal and regulatory costs on this private placement.

(vi) an aggregate of 211,224 warrants were exercised at a price ranging from $0.73 per share to $1.00 per share and a total of 211,224 common shares were issued for total proceeds of $175,790.

(vii) an aggregate of 197,500 stock options were exercised at a price ranging from $0.20 per share to $0.81 per share and a total of 197,500 common shares were issued for total proceeds of $101,375. In addition, a reallocation of $101,927 from contributed surplus to share capital was recorded on the exercise of these options.

3. CAPITAL STOCK (cont'd…)

(b) Stock options

The Company has adopted a 20% fixed stock option plan whereby the Company has reserved 13,522,821 common shares under the plan. The term of any options granted under the plan is fixed by the Board of Directors and may not exceed ten years from date of grant.

The number of options granted to a consultant in a 12 month period must not exceed 2% of the issued shares of the Issuer from the date of grant. Options issued to consultants performing investor relations activities must vest in stages over 12 months with no more than 1/4 of the options vesting in any three month period.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Balance, June 30, 2007	4,037,500	$	0.86
Cancelled	(275,000)		1.11
Exercised	(197,500)		0.51
Granted	4,312,500		1.13
Balance, March 31, 2008	7,877,500	$	1.01

Stock options outstanding and exercisable at March 31, 2008 are summarized as follows:

Number of Shares	Exercise Price	Expiry Date	Exercisable
585,000	$0.20	July 4, 2010	585,000
100,000	$0.30	August 25, 2010	100,000
100,000	$0.64	October 13, 2010	100,000
687,500	$0.81	January 9, 2011	687,500
300,000	$1.35	February 24, 2011	300,000
600,000	$0.70	November 14, 2016	600,000
287,500	$0.70	November 14, 2011	287,500
100,000	$1.00	December 28, 2008	100,000
1,005,000	$1.40	April 10, 2012	1,004,384
50,000	$1.21	May 18, 2012	48,390
250,000	$1.15	July 3, 2010	250,000
400,000	$1.26	July 9, 2010	400,000
525,000	$1.26	July 9, 2012	525,000
400,000	$1.00	September 17, 2012	230,645
400,000	$1.05	September 17, 2012	230,645
200,000	$1.15	September 17, 2012	115,323
200,000	$1.15	September 17, 2012	21,479
400,000	$1.20	September 17, 2012	42,959
120,000	$1.30	November 28, 2012	74,180
1,167,500	$1.05	February 11, 2018	1,167,500
7,877,500			6,870,505

3. CAPITAL STOCK (cont'd…)

(b) Stock options (cont'd…)

During the period ended March 31, 2008, under the fair value based method $3,222,271 (2007 – $701,218) in stock-based compensation expense was recorded in the statements of operations and deficit for stock options granted to directors, officers, employees and consultants of the Company.

The fair value of share options used to calculate compensation expense has been estimated using the Black-Scholes option pricing model with the following assumptions:

Nine months ended March 31,	2008	2007
Risk free interest rate	4.18%	3.93%
Expected dividend yield	0%	0%
Stock price volatility	131%	178%
Expected life of options	6.5 years	8 years

The weighted average fair value of options granted during the period ended March 31, 2008 is $0.99 (2007 – $0.70) per share.

(c) Warrants

As at March 31, 2008, the Company had outstanding share purchase warrants and agents' warrants, enabling holders to acquire common shares as follows:

Number of Shares	Exercise Price	Expiry Date
3,685,000	$0.78	December 4, 2008
1,750,000	$1.75	April 10, 2009

Warrant transactions and the number of warrants outstanding are as follows:

	Number of Shares		Weighted Average Exercise Price
Balance, June 30, 2007	7,091,224	$	1.06
Exercised	(211,224)		0.83
Expired	(1,445,000)		1.00
Balance, March 31, 2008	5,435,000	$	1.09
Number of warrants currently exercisable	5,435,000	$	1.09

4. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

March 31,		**2008**		2007
Cash paid during the period for interest	**$**	**–**	$	–
Cash paid during the period for income tax	**$**	**–**	$	–

Significant non-cash transactions for the period ended March 31, 2008 included:

(a) a reclassification of $101,927 (2006 - $5,950) in stock based compensation expense to share capital as a result of stock options exercised.

(b) 150,000 common shares issued at a value of $108,000 in consideration for the acquisition of resource properties.

(c) 24,291 (0.41 of the Company's share for each Ecstall share tendered) common shares issued at a deemed value of $1.10 pursuant to its take-over bid with Ecstall.

(d) Included in prepaid expenses is $335,582 in resource property expenditures.

5. TRANSACTIONS WITH RELATED PARTIES

During the period ended March 31, 2008:

(a) the Company paid or accrued $112,500 (2007 – $67,500) for management fees and $45,000 (2007 – $22,500) for administrative fees to a company partially controlled by a director and an officer of the Company.

(b) the Company paid or accrued $85,275 (2007 - $20,419) for consulting and geological services fees, included in resource properties, to a company controlled by a director of the Company.

(c) As at March 31, 2008, $10,604 (2007- $Nil) was due to directors and officers of the Company. The amounts resulted from expense reimbursements and are unsecured and non-interest bearing with no fixed terms of repayment. This amount was included in accounts payable and accrued liabilities on the consolidated balance sheet as at March 31, 2008 and fully repaid subsequently.

(d) As at March 31, 2008, $50,000 (2007- $Nil) was due from a director of the Company. The amount resulted from an interest free loan granted to a director pursuant to the terms of his employment contract with two years term of repayment.

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

6. SUBSEQUENT EVENTS

Subsequent to the period ended March 31, 2008:

(a) the Company terminated its option agreement with Megastar Development Corp. (Note 2). The option pertained to certain mineral tenures, partly within the Kechika Trough, that would have required an expenditure of $1 million in 2008 to maintain the agreement. The Company's senior management believes it is in the best interest of the Company to proceed with a 2008 exploration plan that focuses on higher priority targets both on its 100% owned Akie property and on its 100% owned regional properties, where several potential drill targets exist.

6. SUBSEQUENT EVENTS (cont'd…)

(b) the Company granted an aggregate of 450,000 stock options to consultants of the Company, exercisable for a period of five years, at a price of $1.05 per share.

(c) the Company entered into an agreement dated May 1, 2008 with Ann Gibbs to provide investor relations and corporate communications services to the Company for a period of six months in exchange for a monthly fee of $7,000.

Pursuant to the terms of the agreement, the Company granted 120,000 incentive stock options to Ms. Gibbs at an exercise price of $1.10 per common share exercisable for a period of 2 years.

(d) the Company entered into an agreement with Jesse Otto pursuant to which the Company has acquired a 100 % interest in six mineral claims located in the Kechika mining division of British Columbia. As consideration for the claims, the Company paid $10,500 in cash.

(e) the Company has filed a technical report NI 43-101, dated May 28, 2008, entitled "Technical Report: Geology, Diamond Drilling and Preliminary Resource Estimation, Akie Zinc-Lead-Silver Property, Northeast British Columbia, Canada", by D.G. MacIntyre, Ph. D., P.Geo.(BC) and R.C. Sim P.Geo. (BC).