

# MAUDORE Minerals Ltd.

## Interim report

For the nine-month period  
ended  
September 30, 2007

### WARNING

**THE INTERIM FINANCIAL STATEMENTS DATED SEPTEMBER 30, 2007  
HAVE NOT BEEN AUDITED BY THE AUDITORS**

<b>CORPORATE INFORMATION</b>		
<b>Mailing Address</b> 1000 de la Gauchetiere West., 24 <sup>th</sup> Flr. Montreal Quebec H3B 4W5 Telephone : (514) 761-1415 info@maudore.com	<b>Stock Exchange Listing</b> TSX Venture Ticker Symbol : MAO	<b>Transfer Agent</b> CIBC Mellon Trust Company 2001 University Street, 16 <sup>th</sup> floor Montreal Quebec H3A 2A6

**MAUDORE MINERALS LTD**  
**STATEMENTS OF EARNINGS AND DEFICIT**

*(unaudited)*

	Three-month period ending September 30		Nine-month period ending September 30	
	2007 \$	2006 \$	2007 \$	2006 \$
<b>REVENUES</b>				
Interests	34,202	7,624	63,104	8,085
<b>ADMINISTRATIVE EXPENSES</b>				
Officer's compensation	30,000	-	30,000	-
Stock based compensation	455,300	204,350	455,300	273,470
Professional fees and subcontractors	14,281	24,682	69,203	41,851
Information to shareholders and registration fees	12,319	6,512	55,698	32,888
Insurance	2,323	2,087	6,697	6,246
Rent	900	2,261	1,387	4,454
Office supplies	1,788	6,509	8,990	8,886
Subscription fees	882	3,750	18,482	9,160
Traveling expenses	9,375	11,770	56,893	30,159
Telecommunications	1,101	642	6,989	3,259
Depreciation	191	644	571	1,929
Interests and bank charges	18	252	139	355
	<b>528,478</b>	<b>263,459</b>	<b>710,349</b>	412,657
LOSS BEFORE TAXES	<b>(494,276)</b>	<b>(255,835)</b>	<b>(647,245)</b>	<b>( 404,572 )</b>
INCOME AND MINING TAXES	-	(38,616)	-	(99,819)
NET INCOME (LOSS)	<b>(494,276)</b>	<b>(217,219)</b>	<b>(647,245)</b>	<b>(304,753)</b>
Deficit, beginning	<b>(3,922,309)</b>	(3,575,421)	<b>(3,769,340)</b>	(3,487,887)
DEFICIT, ENDING	<b>(4,416,585)</b>	<b>(3,792,640)</b>	<b>(4,416,585)</b>	<b>(3,792,640)</b>
BASIC RESULT PER SHARE AND DILUTED	<b>(0.046 \$)</b>	<b>(0.023 \$)</b>	<b>(0.05 \$)</b>	<b>(0.037 \$)</b>

**MAUDORE MINERALS LTD**  
**STATEMENTS OF DEFERRED EXPLORATION EXPENDITURES**

*(unaudited)*

	Three-month period ending		Nine-month period ending	
	September 30		September 30	
	2007	2006	2007	2006
	\$	\$	\$	\$
<b>EXPLORATION EXPENDITURES</b>				
Drilling	239,482	296,756	662,164	357,360
Analyses	21,218	39,646	81,372	45,308
Subcontractors	154,099	117,709	393,122	140,294
Salaries and social benefit	-	5,902	-	5,902
Equipment and vehicle rental	31,000	21,268	76,787	23,498
Room and board, travelling expenses	17,384	39,932	38,760	40,982
Claim renewal and management	3,421	4,306	18,338	5,074
General exploration expenses	21,621	16,434	39,900	17,474
	<b>488,225</b>	<b>541,953</b>	<b>1,310,443</b>	<b>635,892</b>
Tax credit for resources	(207,497)	-	(553,022)	(2,307)
<b>Increase (decrease) in deferred exploration expenditures</b>	<b>280,728</b>	<b>541,953</b>	<b>757,421</b>	<b>633,585</b>
<b>Balance, beginning</b>	<b>2,574,852</b>	<b>1,570,195</b>	<b>2,098,159</b>	<b>1,478,563</b>
<b>Balance, ending</b>	<b>2,855,580</b>	<b>2,112,148</b>	<b>2,855,580</b>	<b>2,112,148</b>

**MAUDORE MINERALS LTD**  
**CASH FLOW STATEMENTS**

*(unaudited)*

	Three-month period ending September 30		Nine-month period ending September 30	
	2007	2006	2007	2006
	\$	\$	\$	\$
<b>CASH FLOWS PROVIDED BY (USED FOR)</b>				
<b>OPERATIONS</b>				
Net Income (loss)	<b>(494,276)</b>	<b>(217,219)</b>	<b>(647,245)</b>	<b>(304,753)</b>
Items not requiring cash:				
Future income and mining taxes	-	(37,865)	-	(99,068)
Stock based compensation	455,300	204,350	455,300	273,470
Depreciation	191	644	572	1,929
Net change in non-cash working capital items	329,851	211,717	364,803	247,013
<b>Cash flows from operating activities</b>	<b>291,066</b>	<b>161,627</b>	<b>173,430</b>	<b>118,591</b>
<b>INVESTING</b>				
Mining properties	-	-	(8,616)	-
Deferred exploration expenditures	(571,125)	(541,953)	(1,287,528)	(611,249)
<b>Cash flows from investing activities</b>	<b>(571,125)</b>	<b>(541,953)</b>	<b>( 1,296,144)</b>	<b>(611,249)</b>
<b>FINANCING</b>				
Capital stock	985,499	1,940,370	5,775,748	2,001,298
Share redemption	-	(1,100)	-	(33,805)
Issue costs of common shares	(947)	(85,898)	(187,722)	(92,588)
<b>Cash flows from financing activities</b>	<b>984,552</b>	<b>1,853,372</b>	<b>5,588,026</b>	<b>1,874,905</b>
INCREASE IN CASH AND CASH EQUIVALENTS	704,493	1,473,046	4,465,312	1,382,247
CASH AND CASH EQUIVALENTS, BEGINNING	4,919,134	304,027	1,158,315	394,826
CASH AND CASH EQUIVALENTS, ENDING	<b>5,623,627</b>	<b>1,777,073</b>	<b>5,623,627</b>	<b>1,777,073</b>

**MAUDORE MINERALS LTD****BALANCE SHEETS***(unaudited)*

	September 30 2007 \$	December 31 2006 \$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and short term investments	5,623,627	1,158,315
Income tax credit receivable	629,861	450,000
Taxes, mining duties and other receivables	90,179	72,098
	<b>6,343,667</b>	<b>1,680,413</b>
Fixed assets	2,389	2,960
Mining properties	349,624	341,008
Deferred exploration expenditures	2,855,580	2,098,159
	<b>9,551,260</b>	<b>4,122,540</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued charges	278,445	245,808
<b>Shareholders' Equity</b>		
Contributed surplus: Stock options	1,027,770	621,554
Capital stock	12,661,630	7,024,519
Deficit	(4,416,585)	(3,769,341)
	<b>9,272,815</b>	<b>3,876,732</b>
	<b>9,551,260</b>	<b>4,122,540</b>
Number of common shares outstanding	15,593,389	10,521,057
Number of warrants outstanding	353,125	503,125

# MAUDORE MINERALS LTD

## Notes to financial statements

(unaudited)

### 1. GENERAL:

The unaudited interim statements have been prepared in accordance with accounting policies generally accepted in Canada. They are also in accordance with accounting policies of the annual financial statement for December 31, 2006. These statements do not include all required information for generally accepted accounting principles used in annual financial statements and should be read with the accompanying notes on the Company's December 31, 2006 financial statements.

### 2. MINING PROPERTY

	December 31, 2006	Acquisitions	September 30, 2007
	\$	\$	\$
Comtois	341,008	8,616	349,624

### 3. DEFERRED EXPLORATION EXPENSES:

	December 31, 2006	Acquisitions	Government assistance	September 30, 2007
	\$	\$	\$	\$
<b>Comtois</b>	1,893,840	1,310,443	553,022	2,651,261
Comtois, Newmont option	204,319	-	-	204,319
	<b>2,098,159</b>	<b>1,310,443</b>	<b>553,022</b>	<b>2,855,580</b>

### 4. CAPITAL STOCK:

	September 30, 2007	
	Common shares	Amount \$
<b>Issued and paid</b>		
Balance as at December 31, 2006	10,521,057	7,024,519
Stock Option	188,999	189,833
Warrants	300,000	135,000
Private placement a)	4,583,333	5,500,000
Share issue expenses	-	(187,722)
Balance as at September 30, 2007	<b>15,593,389</b>	<b>12,661,630</b>

#### Share issue:

- a) On May 9, 2007, the Company completed an equity financing for an aggregate amount of \$5,500,000. Under this financing, the Company has issued 4,583,333 common shares at \$1.20 per share. These shares are subject to a four-month hold period after the closing date. Finders involved in the financing have been paid \$151,960 and received a total of 150,000 two-year warrants at an exercise price of \$1.20 each.

## Stock Option Plan:

Under the stock option plan, the Company may grant a maximum of 2,500,000 common share purchase options to its directors, officers, employees and suppliers. The exercise price of each option equals the market price of Maudore's stock on the date of the grant and the term of an option cannot exceed 10 years. The options are exercisable at the date of the grant.

The plan provides that the number of common shares reserved for issuance in favour of insiders may not exceed 10% of the then outstanding common shares and that the number of common shares reserved for issuance to any beneficiary may not exceed 5% of the then outstanding common shares.

On July 10, 2007 the Company granted 392,500 five-year stock purchase options to some of its directors, officers and consultants. The fair value of these options was estimated using the Black Scholes stock option evaluation model with the following assumptions: estimated duration of 5 years for these options; risk free interest rate of 4.69%, forecast volatility of 100% and no forecast dividend. A remuneration expense in the amount of \$455,300 (fair value of \$1.16 per option) has been recorded.

A summary of the status of the stock option plan as of September 30, 2007 is presented below:

	Number of options	Weighted average exercise price \$
Outstanding and exercisable, beginning of year	866,866	0.61
Expired	(10,000)	0.90
Exercised	(188,999)	0.69
Granted	392,500	1.51
Outstanding and exercisable, end of year	<b>1,060,367</b>	<b>0.91</b>

The following table summarizes information about stock options outstanding as at September 30, 2007:

Exercise prices \$	Number of options outstanding	Weighted average remaining life (years)
0.27	176,200	2.17
0.35	95,000	3.28
0.70	280,000	3.92
0.78	46,667	1.46
0.90	70,000	0.43
1.51	392,500	4.78
	<b>1,060,367</b>	<b>3.55</b>

## 5. WARRANTS:

As at September 30, 2007, the following warrants, issued pursuant to financings, were outstanding and exercisable as follows:

- 203,125 warrants exercisable at the price of \$0.45 per share up to December 7, 2007.
- 150,000 warrants exercisable at the price of \$1.20 per share up to May 9, 2009

## 6. RELATED PARTIES TRANSACTIONS:

As at September 30, 2007, legal fees of \$10,956 (\$9,393 as at September 30, 2006) have been incurred from a law firm of which a lawyer was also an officer of the Company. A compensation of \$30,000 (none in 2006) was paid to an officer.

The above transactions occurred within the normal course of operations and are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.