

MURGOR RESOURCES INC.
(A DEVELOPMENT STAGE CORPORATION)
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED JANUARY 31, 2008

STATEMENT CONCERNING THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Management has compiled the unaudited interim consolidated financial statements as at January 31, 2008 and for the three-month and nine-month periods ended January 31, 2008 and 2007. The statements have not been audited or reviewed by the Corporation's auditors or any other firm of chartered accountants.

MANAGEMENT'S DISCUSSION AND ANALYSIS AS AT March 21, 2008

The following management's discussion and analysis ("MD&A") of the results of operations and financial condition of Murgor Resources Inc. ("Murgor" or the "Corporation") and its wholly owned subsidiary Murgor Exploraciones S.A.C. for the three-month and nine-month periods ended January 31, 2008, 2007 and 2006 should be read in conjunction with the Corporation's audited financial statements and the related notes. The consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in Canada and are reported in Canadian dollars unless otherwise noted.

The Corporation's shares are listed for trading on the TSX Venture Exchange under the trading symbol MGR. Additional information on Murgor can be found on SEDAR (www.sedar.com) and on Murgor's web site (www.murgor.com).

FORWARD LOOKING STATEMENTS

Except for historical information, this contains forward-looking statements relating to, among other things, regulatory compliance, and the sufficiency of current working capital, the estimated cost and availability of funding for the acquisition of properties and the continued exploration and development thereof. Such statements reflect current views of Murgor with respect to future events and are subject to certain risks, uncertainties and assumptions. Estimates provided for fiscal 2008 and beyond are based on assumptions of future events and actual results could vary significantly from these estimates. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the corporation.

OVERVIEW

Murgor is a mining exploration corporation with a focus on Zinc, Copper and Gold exploration in Canada. The Corporation's *short to mid term exploration – development strategy* includes the acquisition of advanced, near production mineral deposits to bring into production. Meanwhile, the Corporation continues to acquire and explore highly prospective grassroots mining properties in historically prolific greenstone belts in Canada to enhance its current resources.

ANNUAL GENERAL MEETING AND SHARE CONSOLIDATION

The Annual General Meeting of Murgor Shareholders was held in Montreal on the 25th of October, 2007, where shareholders were asked to vote on four resolutions:

1. Election of the Board of Directors,
2. Election of Auditors,
3. Share consolidation of 1 for 6, and
4. Shareholder Rights Plan (Poison Pill).

Shareholders present at the meeting were asked to vote by ballot for resolutions 3 and 4 which required two thirds of the votes to pass. All resolutions were passed.

On November 26, 2007, Murgor started trading on a consolidated basis with 18,863,010 issued and outstanding common shares.

FINANCINGS AND RIGHTS OFFERING

On December 6, 2007, Murgor announced that it had completed a private placement by issuing 1,600,000 “flow-through” common shares to Mavrix of Toronto, Ontario at a price of \$1.02 per share, for total proceeds to Murgor of \$1,632,000.

On March 3rd, 2008, Murgor completed its previously announced rights offering with its shareholders by issuing an aggregate of 1,414,122 units at a price of \$0.60 per unit, for gross proceeds to Murgor of approximately \$848,000. Each unit consists of one common share of Murgor and one common share purchase warrant. Each common share purchase warrant will entitle the holder to acquire one additional common share of Murgor at a price of \$1.00 until March 3, 2009.

As a result of the private placements and the rights offering, there are now 24,111,202 common shares of Murgor issued and outstanding.

MINING PROPERTIES

During the third quarter of fiscal year 2008, Murgor’s exploration activities concentrated on its properties in the Flin Flon belt of northern Manitoba and Saskatchewan. Murgor concentrated its exploration on six (6) different properties in Manitoba and Saskatchewan for polymetallic volcanogenic massive sulphide deposits. All properties were optioned from HudBay Minerals Inc, or have been staked by Murgor adjacent to those options.

MANITOBA

THE HUDVAM PROPERTY

The Hudvam property is located in Manitoba, approximately 47 kilometres NE of the town of Flin Flon.

Murgor is earning a 100% interest in the Hudvam Property from HudBay Minerals Inc. by making aggregate expenditures of \$2.25 million and making escalating cash/share payments for an aggregate amount of \$270,000 over a period of 3 years.

Description of the Property:

The property covers an area of approximately 17 square kilometres. The favourable geological stratigraphy consists of a 500-1000 metres wide package of volcanic rocks dipping sub-vertically, wedged within granitoid rocks. A strike length of more than four kilometres of a prospective contact between felsic and mafic volcanic rocks needs to be explored in detail on the property. In 1988, Mingold Resources Inc. completed a 312 metre ramp during an underground exploration program but the development was abandoned when the price of metals dropped and when flow-through financing came to an end. This development would allow Murgor to quickly bring the deposit to production.

Mineralization:

The deposit consists of four lenses of massive to semi massive sulphide of volcanogenic origin with Zones #1 and #3 being the most economically significant. The mineralization consists of variable quantities of pyrite, pyrrhotite, chalcopyrite and sphalerite with banded or brecciated textures. The ore lenses are up to 15 metres wide, trend NE at 060° az. and dip steeply towards the SE at 80°. The lenses plunge at 70° towards the NE. Zone #3 remains untested below a depth of 250 metres whereas Zone #1 is open below a depth of 520 metres.

Resource:

The current resource at Hudvam (NI 43-101, Inferred) is estimated as follows:

DEPOSIT	TONNAGE (Metric Tonnes)	GRADE				CONTAINED METAL			
		Cu	Zn	Au	Ag	Cu (lbs)	Zn (lbs)	Au (oz)	Ag (oz)
HUDVAM	1,193,000	1.17%	1.71%	2.94 g/t	10.49 g/t	30,778,000	44,720,000	111,000	403,000

Based on a 2% Copper equivalent cut-off grade. Base case Inferred Resource estimate based on assumed underground mining methods.

Q3 2008 Exploration:

Drilling started at the Hudvam deposit in January of 2008 with three drill rigs, as soon as Murgor’s crews built up enough ice on Vamp Lake to support the equipment.

Since then, Murgor has completed more than 8,000 meters of definition, infill, metallurgical and geotechnical drilling in 28 drill holes at the Hudvam deposit, in preparation for a new 43-101 resource estimate and a pre-feasibility study of the deposit.

In mid-March, Murgor also started exploration drilling at the scale of the Hudvam property. As reported in a press release dated March 20th, 2008, Murgor reported two new intersections of massive sulphide mineralization:

- 2.33 meters located on the known mineralized horizon but 275 meters away from any known lenses,
- 5.50 meters located 75 meters away from known lenses and on a newly recognized sulphide horizon.

Only preliminary geochemical results have been published from all this drilling at Hudvam, in a press release dated March 11th, 2008.

On February 26, 2008, Murgor announced that it had completed the work commitments necessary to earn its 100% interest in the Hudvam property.

FUTURE WORK:

Spring and Summer 2008:

- Murgor will continue its exploration drilling program at Hudvam on parts of the property that are not on Vamp lake.
- New NI 43-101 compliant resource estimate of the Hudvam deposit.

Summer to year end 2008:

- Completion of metallurgical work at Hudvam.
- Feasibility study of the Hudvam deposit.

THE WIM PROPERTY

The Wim property is located in Manitoba, approximately 16 kilometres north of the Town of Snow Lake.

Murgor is earning a 100% interest in the Wim Property (two claim groups covering approximately 12 square kilometres) from HudBay Minerals Inc. by making aggregate expenditures of \$2.0M and making escalating cash/share payments for an aggregate amount of \$320,000 over a period of 3 years.

Murgor also holds a 100% interest in nine claims staked by the Company to cover the strike extensions of the Wim deposit. This portion of the property covers an additional 16 square kilometres.

Description of the Property:

The property covers approximately 27 square kilometres in two claim groups. A very broad halo of intensely altered rocks and over eight kilometres of prospective stratigraphy are observed on both the joint venture property with HudBay and the wholly owned Murgor property.

The Wim deposit occurs within a volcanic sequence, at the contact between dominantly mafic and felsic rocks. The stratigraphic units trend to NW at approximately 310° az. and are dipping overturned at 50°- 60° towards the NE. Younging directions are towards the SW. A large diorite sill (up to 125 metres wide) occurs in the footwall of the deposit. This diorite sill is believed to be syn-volcanic, and thought to have generated the necessary heat for the formation of the deposit. The Wim deposit occurs approximately 450 metres to the southwest of a large granitoid intrusion that now forms a gneissic dome.

Mineralization:

The Wim deposit consists of one large ore lens of volcanogenic origin. Mineralization consists of massive to semi-massive sulphide consisting of pyrite, chalcopyrite, pyrrhotite and sub-ordinate sphalerite. To date, the mineralized zone, extends from 245 metres to 640 metres below surface, and over a strike length of nearly 500 metres. The lens remains largely open in all directions. The ore lens is conformable to stratigraphy, trends to the NW at approximately 310° az. and is dipping 45°- 50° towards the NE. The general plunge of the ore lens is 40° to the NW. The mineralized zone is up to 15 metres wide.

Resource:

The current resource at the Wim deposit (NI 43-101, Inferred) is estimated as follows:

DEPOSIT	TONNAGE (MetricTonnes)	GRADE				CONTAINED METAL			
		Cu	Zn	Au	Ag	Cu (lbs)	Zn (lbs)	Au (oz)	Ag (oz)
WIM	2,062,000	1.92%	0.26%	1.65 g/t	5.58 g/t	87,333,000	11,943,000	110,000	370,000

Based on a 2% Copper equivalent cut-off grade. Base case Inferred Resource estimate based on assumed underground mining methods.

O3 2008 Exploration:

In the fall of 2007, Murgor completed a 15 hole drilling program at Wim, for a total of 7,240 metres. The program was designed to upgrade the Wim deposit resource to an Indicated and Measured category, as well as to test property-scale exploration targets.

Since January of 2008, Murgor has completed more than 10,000 meters of definition, infill, metallurgical and geotechnical drilling in 43 drill holes at the Wim deposit, in preparation for a new 43-101 resource estimate and a pre-feasibility study of the deposit. Murgor also started its exploration drilling at the property scale in mid-March.

Only preliminary geochemical results have been published from all this drilling at Wim, in a press release dated March 13th, 2008. So far, the lens has been extended over a strike length of over 150 meters and up dip by 100 meters.

On February 26, 2008, Murgor announced that it had completed the work commitments necessary to earn its 100% interest in the Wim property.

FUTURE WORK:

Murgor's objective at Wim property is to complete a feasibility study of the deposit by mid-2009. The preliminary work schedule to achieve this objective is as follows.

Spring - Summer 2008:

- Murgor will continue its exploration drilling program
- New NI 43-101 compliant resource estimate of the Wim deposit.

Summer to year end 2008:

- Completion of metallurgical work at Wim.
- Completion of pre-feasibility study of the Wim deposit.

THE SNOW-H PROJECT

The Snow-H project is located in Manitoba, five kilometres east of the Town of Snow Lake just north of Highway 391 and extends for 40 kilometres east of the town site.

Murgor is earning a 50% interest in the project from HudBay Minerals Inc. by making aggregate exploration expenditures of \$2,500,000 over 3 years.

Murgor also holds a 100% interest in one claim staked in November of 2006 and covering the strike extensions of the Watts River deposit.

Description of the Property:

The Snow-H Project consists of current mining properties and any future mining properties acquired by Murgor or HudBay within the 105,586 hectare area of the project (current mining properties cover an area of close to 30,000 hectares). Murgor also gains access to HudBay's extensive exploration database in the area (including the data from over 5,670 line kilometre SPECTREM airborne electromagnetic survey carried-out by HBED in the mid '90's). Only 255 holes have been drilled at the Snow-H project, in an area that spans 40 kilometres in length by approximately 26 kilometres in width.

The Snow-H project covers 1,055 square kilometres of the very prospective eastern extension of the Snow Lake mining camp but also, the northern part of the Eastern Trans-Hudson transect (ETHHT). So far the significant discoveries of the ETHHT include:

- **Watts River Deposit** (3,11M tonnes @ 2.37% Cu and 2.80% Zn)
- **Harmin Deposit** (15.6 m @ 2.1% Cu, 3.4% Zn, 0.2 g/t Au, 21.0 g/t Ag)
- **Talbot Lake Deposit** (9.7 m @ 12.4% Cu, 3.5% Zn, 11.2 g/t Au, 184.4 g/t Ag).

Evidence of Volcanogenic Massive Sulphide (VMS) mineralization has already been discovered adjacent to the Snow-H project boundaries (see section on resource below). At the hart of the project, the Ros-10 intersection of 0.57 metre @ 0.24% Cu, 2.69% Zn and 5.1 g/t Ag, showed the potential of the Snow-H project by proving that the mineralizing processes operating at the Watts Lake Deposit are also present in the central part of the project.

In the western part of the project area, in the extension of the Snow Lake mining camp, the geology consists of the same volcanic and sedimentary rocks that host the many VMS deposits of Snow Lake. The rocks show multiple phases of deformation as suggested by exposed fold interference patterns. In the eastern part of the project area,

the geology is largely unknown due to fluvio-glacial cover, but geophysical signatures and drilling so far suggest a continuation of the same geological units.

Resource:

Several Volcanogenic Massive Sulphide (VMS) deposits are located in the immediate area and their prospective stratigraphic horizons project onto the Snow-H. These deposits include:

- **The Bur Deposit: Historical Resource: 1,29M tonnes @ 1.93% Cu and 8.09% Zn**

The Bur deposit is located approximately 1.4 kilometres west of the Snow-H project boundary.

- **The Osborne Lake Deposit: Historical Production: 2,81M tonnes @ 3.14% Cu, 1.50% Zn, 4.11 g/t Ag**

The Osborne Lake deposit is located approximately 5.3 kilometres west of the Snow-H project boundary.

- **The Watts River Deposit: Historical Resource: 3,11M tonnes @ 2.37% Cu and 2.80% Zn**

The Watts River deposit is located approximately eight kilometres south of the Snow-H project boundary.

O3 2008 Exploration:

- During the third quarter of 2008, Murgor completed 2,750 line kilometer helicopter borne VTEM survey covering the western part of the Snow-H project area. The data is currently being processed with Geotech Consulting.

FUTURE WORK:

Spring and Summer of 2008:

Murgor is planning a 3,000 metre drill program to test high priority conductors at Snow-H. The targets that are currently scheduled for testing are as follows:

- **Infinitem Anomalies Targets:** At least four high priority targets were outlined at the hart of the Snow-H property in the immediate area surrounding the Ros-10 occurrence.
- **Spectrem Airborne Anomalies Targets:** A compilation of the existing drill holes has shown that the 5,670 line kilometre Spectrem survey by Anglo-American, covering 1,055 square kilometres, was followed up by a total of 14 drill holes. Hundreds of untested or poorly tested Spectrem conductors remain to be evaluated and prioritized.
- **VTEM Helicopter borne Anomalies Targets:** Many conductors have been detected by the newer, higher resolution VTEM method that had not been detected by Spectrem.

SASKATCHEWAN

FON PROPERTY

The Fon property is located in Saskatchewan, approximately 40 kilometres west of the town of Flin Flon.

Murgor is earning a 100% interest in the Fon property (24 claims covering 24 square kilometres) from HudBay Minerals Inc, by making aggregate expenditures of \$3.5M and escalating cash/share payments for an aggregate amount of \$520,000 over four years.

Murgor also holds a 100% interest in four claims staked in January of 2007 and covering the strike extensions of both the Fon and Abbott Lake deposits. This portion of the property covers an additional 14.4 square kilometres.

Description of the Property:

The property covers nearly 40 square kilometres including both the HudBay option and the new claims wholly owned by Murgor. The property includes two deposits (both located on the HudBay option): the Fon zinc deposit (see resource estimate below) and the smaller Abbott Lake deposit where historical resources stand at **177,000 tonnes @ 2.53% Cu, 0.77% Zn, 49.04 g/t Ag.**

Both deposits are hosted in a sequence of felsic volcanic and volcanoclastic rocks characterized by multiple phases of deformation and amphibolite grade metamorphism. The rocks trend generally east-west but a fold closure located approximately four kilometres west of the Fon deposit repeats the favourable horizon in the southern part of the property where the Abbott Lake deposit occurs. The favourable mineralized horizon which hosts both deposits is present over a strike length of more than eight kilometres on the properties. Although the favourable horizon has been drilled at shallow depths, it remains to be explored in detail.

Mineralization:

The mineralization at the Fon deposit consists of massive to semi-massive sulphide with pyrite, pyrrhotite, sphalerite, trace chalcopyrite and locally galena.

The Fon deposit consists of at least five lenses that extend from surface to a vertical depth of 760 metres and over a strike length of 1.3 kilometres. One of these lenses, the "Brown Lens", contains in excess of 2.5 million short tons of mineralization grading 2.41% zinc. By removing the sub-economic Brown Lens and other small, low grade satellite lenses from the resource, the four remaining lenses account for a NI 43-101 compliant Inferred resource of **1,68 million tonnes at a grade of 6.79% Zn, 0.27% Cu, 16.79 g/t Ag** with a 3% Zn cut-off grade.

The deposit trends approximately at 290° az. and dips 50° towards the north. The plunge of the orebody is variable and probably due to the multiple phases of folding in the area.

The down plunge extensions of the Blue Lens towards the east and the down plunge extension of the Lower Red Lens to the west remain largely open for exploration.

At the Abbott Lake deposit, the mineralization consists dominantly of heavy stringer sulphide with pyrite, chalcopyrite, pyrrhotite and sphalerite. The Abbott Lake deposit extends from surface to a vertical depth of 250 meters and for a strike length of up to 400 metres. The lens remains only poorly tested at depth and on strike.

Resource:

The current resource at the Fon deposit (NI 43-101, Inferred) is estimated as follows:

DEPOSIT	TONNAGE (Metric Tonnes)	GRADE				CONTAINED METAL			
		Cu	Zn	Au	Ag	Cu (lbs)	Zn (lbs)	Au (oz)	Ag (oz)
FON	4,543,126	0.25%	3.73%	-	10.88 g/t	25,039,440	373,588,445	-	1,752,761

* Metric tonnes, Based on 1% Zinc cut-off grade.

Q3 2008 Exploration:

Most of the exploration at the Fon Property in the third quarter of 2008, consisted of an extensive and ongoing compilation of all data available at the deposit and property-scale. At the property-scale, the program is designed to identify new exploration targets (geophysical and geological). At the deposit-scale, the compilation will help to refine the 3D model of the ore lenses and provide new targets in the extensions of the existing lenses.

The deposit-scale compilation culminated with a new interpretation of the deposit outlined in a press release dated February 28, 2008. The new data compilation and structural interpretation of the Fon deposit outlines a thick mineralized zone lying between surface and 150 meters depth, ranging from **1,200,000 tons to 3,900,000 tons** with an average grade of **2.1% Zn** (ranging from 1.4% Zn to 3.6% Zn) and yielding a potential **51,300,000 to 162,200,000 pounds of Zinc**.

This near-surface zone would increase the zinc resource at the Fon deposit, by adding a low-grade component to the already defined resource that would be amenable to open pit mining.

Murgor has also been conducting exploration drilling at the Fon property-scale since mid March of 2008. Two drill holes have been completed so far for a total of 738 meters. All assays are pending.

FUTURE WORK:

Spring – Summer of 2008:

Murgor will continue its evaluation of the open pit potential of the Fon deposit through additional compilation work and 3D modeling. Should this work prove conclusive, additional definition drilling will be outlined at Fon for the fall and/or winter of 2008.

Murgor's objective at the Fon property is to earn the 100% interest in the property by the end of 2009 and evaluate the economics of the deposit shortly thereafter. In March of 2008, Murgor started drilling at the Fon property. Additional drilling will be necessary in 2008 with the following objectives:

1. To test targets that have been generated in the fall of 2007.
2. To explore the high grade portions of the Fon deposit such as the extensions of the Lower Red lens (66,926 tonnes grading 16.14% Zn) and the Blue FW lens, (10,723 tonnes grading 9.84% Zn).
3. To upgrade the high grade parts of the Fon deposit to an Indicated and Measured category, in preparation for a new NI 43-101 compliant resource estimate in 2009.

THE FLIN-D PROJECT AND TYR PROPERTY

The SE corner of the Flin-D project is located in Saskatchewan, 10 kilometres to the WNW of the town of Flin Flon. From that point, the project area extends approximately 30 kilometres to the west and 27 kilometres to the north.

The Tyr Property is also located in Saskatchewan, approximately 20 kilometres NW of the town of Flin Flon. The Tyr Property consists of one mining claim within the Flin-D project area, located within 5 kilometres to the north of paved Highway 106 and accessible by a combination of all weather gravel roads and drill roads.

- Murgor is earning a 50% interest in the Flin-D project from HudBay Minerals Inc. by making aggregate exploration expenditures of \$2,500,000 over 3 years.
- Murgor is earning a 100% interest in the Tyr property from HudBay Minerals Inc. by making aggregate exploration expenditures of \$300,000 and making escalating cash/share payments for an aggregate amount of \$50,000 over 3 years.
- Murgor also holds a 100% interest in eight claims that are contiguous to the Flin-D project area, and that cover 3,650 hectares.

Description of the Property:

The Flin-D project consists of current mining properties and any future mining properties acquired by Murgor or HudBay within the 80,518 hectare area of the project (current mining properties cover an area of 124,440 hectares). Murgor also gains access to HudBay's extensive exploration database in the area (including the data from over 3,850 line kilometre SPECTREM airborne electromagnetic survey carried-out by HBED and Anglo-American in the mid '90's. The project area covers hundreds of kilometres of the NW extension of the Flin Flon, Triple 7 and Callinan Mine horizon which account for more than **89,000,000 tonnes of massive sulphide ore** to date. The project area also covers the NW extension of the Trout Lake Mine (**20,000,000 tonnes**). Both deposits are located approximately 15 kilometres to the ESE of the Flin-D project area.

The rocks of the area are essentially the same as that of the Flin Flon mining camp area and consist of the bimodal volcanic rocks (mafic to felsic) that host the VMS deposits (the Amisk Group). A sequence of clastic sedimentary rocks lies unconformably stratigraphically above the volcanic rocks (the Missi Group). The rocks of the Flin-D area show multiple phases of deformation as suggested by exposed fold interference patterns. Within the project area, metamorphic grade increases towards the north from upper greenschist to the upper Amphibolite facies. By all standards, the Flin-D project area remains virtually untested with a total of 497 drill holes completed by HBED on the project area (including the Tyr deposit).

The Tyr property comprises one mining claim covering 58 hectares and a 600 metre strike extent of the same stratigraphy that hosts the Flin Flon, Triple 7 and Callinan Mines approximately 20 kilometres to the SSE.

The Tyr deposit consists of a single ore lens of volcanogenic origin, extending from surface to 150 metres vertical depth with a strike length of 125 metres and an average width of 2.1 metres. The deposit trends generally east-west and has a 45° to 50° dip to the north. The mineralization consists of semi-massive to massive sulphide including pyrite, chalcopyrite, pyrrotite and sphalerite. The property covers 600 metres of strike extent of the favourable Flin Flon Mine stratigraphy.

Resource:

Aside from a number of smaller occurrences, the only Resource known to date on the Flin-D project area consists of the Tyr deposit. Where the historical resource stands at: **99,654t @ 3.36% Cu, 1.40% Zn & 9.60 g/t Ag** (Rusk, 1979, *Polygonal Reserve calculation pre-dating NI 43-101*).

Q3 2008 Exploration:

Murgor's exploration work at the Flin-D project and Tyr property consisted of:

- An ongoing compilation of all geophysical surveys and drill hole data at the project-scale to extract as much information as possible from existing data including a revue of all existing data (497 drill holes, 3,850 line kilometres of Spectrem Airborne data and a number of localized ground geophysical surveys).
- Murgor completed more than 1,800 line kilometers of helicopter borne VTEM on selected areas of interest at the Flin-D project.
- Murgor completed a 20 line kilometer program of line-cutting and ground Pulse EM surveys in the SW corner of the Flin-D project area where a large alteration zone has been outlined in 2007.

FUTURE WORK:

- Murgor will start drilling at the Tyr and Flin-D project in late March 2008. A 3,000 meter drill program is planned to test high priority VTEM and InfiNiTEM conductors.
- Murgor will generate new targets at the project-scale through data processing of the new VTEM survey completed this quarter, through additional and more localized compilation of data, and through field work planned for the summer of 2008.

QUEBEC

THE BARRY GOLD PROPERTY

The Barry property is located approximately 100 km east of the town of Lebel-Sur-Quevillon and 180 km southwest of the town of Chibougamau in the Province of Quebec. The property consists of 255 claims covering 4,011 ha. The bulk of the property is held jointly by Murgor Resources and Freewest Resources Canada Inc., except for 14 claims (224 Ha) at the heart of the property, which are wholly-owned by Murgor. The Barry Au Deposit is located on ground that is 100% owned by Murgor.

Murgor – Metanor Transaction

On September 6th, 2007, Murgor reduced its interest in the Barry 1 property to a 1% NSR royalty, and its interest in the Barry United Property to an interest of 0.5% NSR royalty. The most recent NI 43-101 resource estimate at the Barry Deposit, released by Metanor on April 10, 2007, is summarized below:

RESOURCE CATEGORY	TONNAGE	GRADE (g/t)	CONTAINED GOLD
Indicated Resource	385,000 mt	4.23 g/t Au	52,300 oz.
Inferred Resource	966,000 mt	4.07 g/t Au	126,600 oz.

*The resources were calculated using a cut-off grade of 2.0 g/t Au and a specific gravity of 2.80 g/cm³, in a mineralized zone lying from surface to a vertical depth of 50 meters, over a strike length of approximately 500 meters.

CURRENT AND FUTURE EXPLORATION WORK AT THE BARRY PROPERTY:

All future exploration will be carried-out by Metanor Resources Inc.

THE WINDFALL GOLD PROPERTY

The Windfall property is located approximately 100 km east of the town of Lebel-Sur-Quevillon and 180 km southwest of the town of Chibougamau in the Province of Quebec. The property which consists of 213 claims and covers 8,995 ha, is held jointly by Murgor and Freewest Resources Canada Inc. On February 5th, 2007, Murgor and Freewest optioned 29 claims of the property to Noront Resources Inc. to explore and develop the Windfall property.

Murgor – Noront transaction:

On February 5th, 2007, Murgor signed an option agreement with Noront Resources Ltd. and Freewest Resources Canada Inc. whereby Noront can earn a 50% interest in 29 claims of Murgor and Freewest's Windfall Property. Murgor and Freewest retain a 100% interest in 184 claims of the Windfall property including the NE extension of the gold bearing structures.

The objective is to test and sample gold zones F-11 and F-17, previously discovered by Murgor, with an underground exploration ramp that would start on the newly optioned ground. The ramp will also provide access to a number of deeper mineralized zones on the Noront property.

Under the terms of the agreement, Noront issued a total of 375,000 common shares of Noront to the Murgor and will incur exploration expenditures estimated at \$4 million, in order to earn a participating interest of 50% in the claims. Noront may earn an additional 10% participating interest by providing a positive feasibility study. If Noront fulfills its obligations, Murgor will retain a 20%-25% interest in the Windfall property.

CURRENT AND FUTURE EXPLORATION AT WINDFALL:

Murgor did not carry out any exploration work at the Windfall Property since December 2006 and is currently seeking partners to continue exploring the rest of this highly prospective property while it is concentrating its efforts on the exploration of its Flin Flon belt properties.

THE NELLIGAN GOLD PROPERTY

The property consists of fifty (50) mining claims located in Nelligan, Benoit and Lesueur Townships, less than five kilometres southwest of the town of Desmaraisville and the Bachelor Lake Gold Mine and mill.

Murgor acquired a one hundred percent (100%) interest in the Nelligan gold Property in north-western Quebec on November 20th, 2006 subject to a 2% Net Smelter Return royalty of which Murgor can purchase 1% at anytime at a cost of \$1,000,000.

Murgor – Metanor Transaction

On September 6th, 2007, Murgor optioned the Nelligan Property to Metanor Resources. Under the terms of the agreement, Metanor may acquire an interest of up to 70% of the property. Details of the transaction are shown above in the section titled “New Partnerships and Transactions. Metanor will also have to incur exploration expenditures of \$450,000 over three year following the signature of the agreement.

EXPLORATION AT NELLIGAN:

From August to November 2006, Murgor carried-out a property-scale geological mapping and prospecting program that culminated with a mechanical trenching and channel sampling program.

The trenches were excavated to expose a NE-trending and steeply dipping mineralized shear zone where three channel samples yielded **124 g/t Au over 2.53 metres** including a 53 cm section grading 582 g/t Au. The other channel samples returned 2.82 g/t Au over 1.19 metres and 2.65 g/t Au over 1.07 metres (see press release dated December 14th, 2006).

The mineralized shear zone is three to six metres wide and has been followed over a distance of 230 metres along strike. The structure is hosted by a medium to coarse grained gabbro and is characterized by sericite, fuschite and iron carbonate and contains up to 15% disseminated pyrite. Several specks of visible gold are also present in the shear zone.

CURRENT AND FUTURE EXPLORATION WORK AT NELLIGAN:

Future exploration work over the next three years will be carried-out by Metanor Resources.

THE EAGLE RIVER GOLD-COPPER-ZINC PROPERTY

The Eagle River property is located approximately 110 km east of the town of Lebel-Sur-Quevillon and 170 km southwest of the town of Chibougamau in the Province of Quebec. The property which consists of 154 claims that cover 8,679 ha, is held jointly by Murgor and Freewest Resources Canada Inc.

The Eagle River Property was initially staked for its gold potential in 2003, but preliminary geological mapping and sampling also revealed an excellent setting for base metal Cu-Zn mineralization of volcanogenic origin. The property covers 20 km of strike length of the northern extension of the NE-trending Barry Lake-Masere deformation corridor and 5 km of strike length of the EW-trending Urban-Barry deformation zone. The southwest part of the property covers the highly prospective zone of intersection between the two shear zones - an area that covers 25 km². The Eagle River Property also covers rocks that are believed to be the eastern extension of the Windfall Felsic Complex to which gold is associated at the Windfall Property.

The summer 2005 exploration program at Eagle River consisted of property-scale geological mapping and prospecting carried-out simultaneously with a B-horizon soil survey. The soil surveys were designed to cover ground and helicopter-borne electromagnetic conductors. Zones of interest were later tested by mechanical trenching during the fall of 2005.

Only a few conductors were explained by surface prospecting. Samples of exhalative units near those conductors returned assays of up to 0.05% Cu and 0.2% Zn. A number of strong B-horizon soil anomalies were located over EM conductors with values of up to 743 ppm for Cu, 887 ppm for Zn, 100 ppm for Pb and 25 ppb for Au. A mechanical trenching and sampling program was carried-out in the fall 2005 to test those geochemical anomalies and although sulphide zones were discovered, no significant values were encountered.

CURRENT AND FUTURE EXPLORATION WORK AT EAGLE RIVER:

Murgor has not carried-out any exploration work at the Eagle River property since the fall of 2005 and is currently seeking a partner to advance the exploration efforts on the Eagle River property.

THE LA TRÈVE PGE-Cu-Ni PROPERTY

The La Trève PGE-Cu-Ni Properties consist of 337 claims that cover 9,750 hectares in the Berey, Lantagnac, Guettard and Daine Townships, approximately 80 kilometres WNW of the Chibougamau Mining District in north-western Quebec. The La Trève I (106 claims), La Trève II (27 claims) and La Trève 2006 (67 claims) properties are owned 100% by Murgor. The remaining 150 claims, comprising the La Trève III, IV, V and extension properties, are jointly held by Murgor and Freewest (50% each).

The best mineral occurrences at La Trève remain the La Trève I, IA and IV Cu-Ni-PGE occurrences (LT I: **12.9 g/t PGE, 0.45% Cu, 0.69% Co and 0.75% Ni**; LT IA: **1.27 g/t PGE, 0.19% Cu and 0.10% Ni** and LT IV: **1.17 g/t Pt+Pd+Au and 0.63% Cu-Ni-Co over 6.95m**).

Murgor carried-out a brief exploration program at the La Trève properties during the summer of 2005. The objective of the program was to verify, through geological mapping and prospecting, the surface expression of magnetic anomalies, conductors and Cu-Ni-Co-Pd MMI soil anomalies on the properties that were defined by Dianor during their exploration of the property for diamonds. Field work could not locate any outcrop in the areas of interest.

FUTURE EXPLORATION AT LA TRÈVE:

Murgor has not carried-out any exploration work at La Trève since the summer of 2005 and is currently seeking a partner to advance the exploration efforts on the La Trève properties.

THE FANCAMP GOLD PROPERTY

The 100% Murgor owned Fancamp property covers 66 claims (2,277 ha) located in the western part of Fancamp Township, approximately 30 kilometres SE of the town of Chapais and 55 kilometres south of the town of Chibougamau in north-western Québec.

Through staking in 2004, the Fancamp Property now covers, covers a six (6) kilometre strike length of the Fancamp Deformation zone. The Fancamp Deformation Zone is host to the Chevrier Gold deposit (1.1Mt @ 6.4 g/t Au and 230Mt @ 0.3 g/t Au), which is located approximately 5 kilometres NE of the Fancamp Property.

In January of 2005, Murgor resumed exploration at the Fancamp Property after a hiatus of nearly 10 years. In the mid-80's, Murgor conducted extensive exploration on the property that concentrated on two mineralized zones and included modest underground developments. This work yielded results such as **6.10 m. @ 8.22 g/t Au, 3.36 m. @ 5.14 g/t Au and 3.05 m. @ 4.60 g/t Au**.

In 2006, Murgor carried-out 60 kilometers of line cutting that was followed by a 46 kilometer induced polarization ground geophysics survey. Results of the geophysical survey show a 2.7 kilometer long high chargeability, high resistivity anomaly trending NE and flanking a high magnetic anomaly. All mineralized zones are situated within this anomaly.

From June to October, 2006, Murgor carried out prospecting, and approximately eight hundred and sixty-seven square metres (867 m²) of mechanical trenching, followed by channel sampling and detailed trench mapping. Grab samples collected during the prospecting and field investigations assayed up to 47.9 g/t Au for samples from the A zone, up to 10.15 g/t Au for samples from the B zone, and up to 8.77 g/t Au for samples from two newly discovered gold occurrences. Significant assay results were also obtained from channel samples at Trench A including 2.24 g/t Au over 3.52 metres, 3.81 g/t Au over 1.97 metres, and 5.96 g/t Au over 1.01 metres. The best mineralized intercept encountered at Trench B is 6.57 g/t Au over 0.95 metres.

CURRENT AND FUTURE EXPLORATION AT FANCAMP:

Murgor has not carried-out any exploration work at the Fancamp property since October 2006. The Corporation is not planning any work at the Fancamp property in the immediate future and will likely be seeking a partner to advance the exploration efforts at Fancamp.

THE BENOIST GOLD PROPERTY

The Benoist property consists of 92 mining claims covering 1,458 hectares located approximately 170 kilometres northeast of the Val D'Or mining district and 165 kilometres southwest of the Chibougamau mining district; 1 kilometre SE of the town of Miquelon in north-western Québec. The property is owned 50-50 by Murgor and Freewest Resources Canada Inc.

The Benoist property is located in the eastern part of the Archean, Abitibi greenstone belt. The property is underlain dominantly by intermediate to mafic volcanic flows and volcanoclastic rocks that are intruded by numerous small granodioritic quartz-phyric plutons. All rock types are crosscut by a number of NE-trending brittle-ductile shear zones which include the mineralized Pusticamica, South Gold and Lakeshore shear zones. The mineralized shear zones trend NE with sub-vertical dips.

Gold mineralization consists of massive pyrite veinlets with minor chalcopyrite and trace amounts of sphalerite, occurring within the Pusticamica shear zone and its splay, the South Gold shear zone within a quartz-phyric granodioritic intrusion. The mineralized body is sub-vertical with a strike length of 70 meters and a NS width of 40-50 meters. Alteration consists of silicification, sericitization, chloritization and pyritization. In 1993, Minnova calculated Inferred Reserves on the Pusticamica Zone, of **531,000 tons grading 0.161 oz/ton Au, 0.353 oz/ton Ag and 0.27% Cu** within a geological resource of 5.1 million tons grading 0.055 oz/ton Au.

The Benoist project remains a great asset to Murgor despite the fact that Murgor did not conduct any exploration work at Benoist in 2007. Considering the in situ value of metals contained in the Pusticamica Deposit, management feels the value of the Benoist Property is well above the currently carried value of the project. The project is under evaluation before further work is considered.

ONTARIO

THE CLAY LAKE Cu-Zn PROPERTY

The Clay Lake property consists of 5 claims (66 units) covering an area of 16,896 hectares in the Shebandowan greenstone belt west of Thunder Bay. The Clay Lake Property was acquired by staking in 2005, following a significant Cu-Zn discovery in the belt located approximately 5 kilometers to the SE.

In May 2005, a 110 line kilometre helicopter-borne Magnetic-Electromagnetic VTEM survey was flown over the Clay Lake Property in an effort to locate possible conductors indicative of the same type of mineralization as Freewest's new Cu-Zn discovery. Results of this survey were very encouraging as a total of 9 untested conductors were defined on the property with 4 of these short conductors located at the contact between rhyolites and mafic volcanic rocks.

In the summer of 2005, Murgor launched an extensive exploration program of geological mapping, prospecting and litho-geochemical sampling designed to verify the surface expression of the VTEM conductors as well as their geological and geochemical setting. In January of 2006, a six (6) hole drilling program was carried-out at Clay Lake, totalling 931.5 meters with a total of 179 core samples sent for assay.

The summer exploration program was highlighted by the discovery of a new gold occurrence from which two grab samples returned assays of **19.2 g/t Au and 22.1 g/t Au**.

The new gold occurrence is located adjacent to a moderate EM conductor hosted by a sedimentary unit. Gold mineralization is hosted by a strongly potassic-altered, moderately sheared, quartz-feldspar porphyry dike of unknown thickness and consists of disseminated pyrite with minor quartz stockwork veining.

Elsewhere on the property, although it was impossible to verify the helicopter-borne conductors in the field due to the depth of the conductors or their location in bogs, fieldwork confirmed that the conductors are occurring at the stratigraphic top or within the rhyolite package. Furthermore, in the footwall of the westernmost conductor, whole rock geochemistry shows that the quartz-phyric rhyolite has a high silica content, is enriched in Fe, Ca and Mg, and is strongly depleted in Na (all suggestive of hydrothermal processes associated with a volcanogenic base metal mineralization).

Drilling encountered an important sulphide-bearing horizon up to 20 meters wide, over a strike length of at least 2 kilometers and sitting at the stratigraphic top of a rhyolitic unit. The horizon shows banded and stringer pyrite and pyrrhotite in felsic pyroclastic rocks that are intensely altered in chlorite-magnetite-sericite and locally garnet. Best results of the program are from drill hole MCL-06-05 where assays returned 0.33% Cu over 50 centimeters and 0.19% Cu over 1.0 meter.

FUTURE EXPLORATION AT CLAY LAKE:

Murgor has not carried-out any exploration at Clay Lake since January of 2006 despite the fact that a deep penetrating ground electromagnetic survey and additional drilling are warranted to test the exhalative horizon at depth. Murgor is seeking a partner to advance the exploration efforts on the Clay Lake properties.

THE MISHIBISHU GOLD PROPERTY

The Mishibishu property consists of 114 mining claim units that cover 4,560 acres in north-western Ontario, 50 kilometres west of the town of Wawa and 10 kilometres north of Lake Superior.

The Property is located in the Archean Mishibishu Greenstone Belt, and is underlain by mafic volcanic rocks and clastic sedimentary rocks bounded to the east and west by large intrusive bodies of tonalitic composition.

The Mishibishu Property covers a strike length of 10 kilometres of the Mishi Creek Deformation Zone and a strike length of 3 kilometres of the Rook Lake Deformation Zone. Both deformation zones are EW- to NW-trending, dip steeply towards the north, and locally exceed 1 kilometre in width. Both shear zones have localized extensive shear-vein systems and high grade gold mineralization in a geological setting that is remarkably similar to the known gold deposits in the area, which are all owned by River Gold Inc:

- The producing Eagle River Gold Mine (2.86 Mt grading 8.84 g/t Au), located 6 kilometres to the south,
- The past producing Mishi open pit (1.25 Mt grading 4.8 g/t Au), located 12 kilometres to the north, and
- The past producing Magnacon Mine (1.54 Mt grading 6.9 g/t Au), also the site of the operating Eagle River Mill, located 12 kilometres to the north.

The property hosts numerous gold occurrences that have yielded potentially economic grades of mineralization, yet the property remains largely under-explored. Some 30 gold showings, assaying in excess of 1.0 g/t Au, have been located by previous workers, and include:

- The Marten Zone, which sits at the heart of the property, where drilling and trenching uncovered significant gold mineralization over a strike length of 300m (drill intercept of up to 5.05 g/t Au over 7.45 m), and
- The Dorset Zone, which sits immediately to the north of the property and locally straddles the property boundary over a strike length of 2 kilometers, where drill results include 3.74 g/t Au over a true width of 21.53 m, 3.02 g/t Au over 5.92 m, and 5.23 g/t Au over 3.70 m in three separate drill holes. Although the Dorset Zone generally lies just outside of the property boundaries, its east and west strike extensions lie within the property.

CURRENT AND FUTURE EXPLORATION AT MISHIBISHU:

In May of 2006, management elected to option the Mishibishu property to Terex Resources Inc. (now Trelawney Resources Inc.) Trelawney holds an extensive land position in the area and was a logical exploration partner for Mishibishu. Trelawney has been exploring the property extensively since the agreement was signed and will be carrying-out future exploration at the property.

THE MYSTERY GOLD PROPERTY

The Mystery property consists of 32 mining claim units that cover 512 hectares in Moss Township, 120 kilometres west of the town of Thunder Bay, north-western Ontario. The Mystery property is located in the Shebandowan Belt and cover the Northeast extension of the La Rose Shear Zone, where Freewest Resources Canada Inc. has intermittently exposed a mineralized corridor over a 3.5 kilometre strike length in 2004.

In the summer of 2004, Murgor carried-out a modest exploration program that successfully outlined the La Rose Shear Zone crossing the central part of the property in a NE-trending topographic low. Along this topographic low, strongly deformed sedimentary rocks and boudinaged felsic dikes were sampled and returned anomalous gold values of up to 1.3 g/t Au.

This initial program was followed-up in the fall of 2004 by a 30 line kilometre soil geochemical survey and an induced polarization geophysical survey that outlined several high chargeability anomalies coincident with gold in soil anomalies. Later, in May of 2005, a helicopter-borne Magnetic-Electromagnetic VTEM survey outlined a number of weak conductors on the NE extension of the La Rose Gold-bearing structure.

In the summer of 2005, a brief exploration program of geological mapping, prospecting and sampling was carried-out at the Mystery property. The exploration program was designed to verify the surface expression of high chargeability induced polarization anomalies, helicopter-borne VTEM anomalies and B-horizon soil anomalies. No significant results were encountered.

FUTURE EXPLORATION AT MYSTERY:

Murgor has not carried-out any exploration work at the Mystery property since the summer of 2005 and is currently seeking a partner to advance the exploration efforts on the Mystery property.

NEW BRUNSWICK

THE MOUNT PLEASANT GOLD PROPERTY

The 100% Murgor owned Mount Pleasant Gold Property consists of 47 claims (752 hectares), located 70 kilometres south of the city of Fredericton, in south-western New Brunswick. The property covers the same favourable geological setting as the Clarence Stream Gold Deposit, 10 kilometres to the west.

Initial interpretation of government geophysical surveys of the property outlined an unexplored, 4.5 km² dilational jog, located in the central part of the Mount Pleasant property, where a large Sn, Zn, Bi, W soil geochemical anomaly (not analyzed for Au by Billiton in 1980) was located. A dilational jog is a fault-bounded area of low pressure, where mineralizing fluids are drawn while the faults are active.

On March 22, 2006, Murgor optioned the Mount Pleasant Property to Geodex Minerals Ltd, and on May 30th, 2007, Geodex had completed its acquisition of a 60% interest in the property. At the same date, Murgor and Geodex have granted an option to mining giant Teck-Cominco Ltd. whereby Teck-Cominco can earn an interest of up to 65% of the Mount Pleasant property by incurring exploration expenditures of \$21,500,000 or by completing a full feasibility study. If Teck-Cominco fulfills its obligations, Murgor's interest in the Mount Pleasant property would be reduced to a 14% interest.

Future exploration will be carried-out by Teck-Cominco Ltd.

THE ELMTREE GOLD PROPERTY

The Elmtree Property consists of 76 mining claims covering 1,216 hectares, located approximately 25 km by road North West of the town of Bathurst, New Brunswick. On October 12, 2005, Murgor acquired the right to earn a 100% interest in the property.

The dominant and most important geological feature of the Elmtree Property is the Elmtree fault which transects the central part of the property and juxtaposes the units of the Ordovician Belledune River Melange to the north and the calcareous metasedimentary rocks of the Silurian Chaleur Group to the south. The Elmtree fault trends N070 degrees and dips steeply to the north-northwest and the property covers approximately nine (9) kilometres of its strike extent.

Approximately 3 kilometres west of the property, the Elmtree fault is intruded by a small gabbroic sill which is host to the Elmtree Gold Deposit and occurrences. At the Elmtree deposit, trenching has outlined mineralized zones assaying up to **8 g/t Au over 9.00 meters** and drilling has intersected zones of **up to 6.0 g/t Au over ~13 meters**.

Mineralization at the Elmtree deposit consists of gold bearing zones of disseminated sulphides (up to 25% combined sulphide) within zones of silica flooding. Sulphides consist of diminishing amounts of arsenopyrite, pyrrhotite, and pyrite with minor chalcopyrite, stibnite and sphalerite.

The deposit was discovered in 1984 through a grassroots prospecting program following up As-Sb soil and stream sediment anomalies.

In the fall of 2005 Murgor carried out a B-horizon soil geochemistry survey on the central part of the Elmtree Property. A total of 1,028 samples were collected to cover an area of 1.8 km by 2.2 km in the NS direction.

Three important soil anomalies were outlined above the Elmtree fault. The anomalies have coincident high values of up to 217 ppb Au, 26.8 ppm Ag, 1235 ppm As, 504 ppm Pb, 770 ppm Zn and 124 ppm Cu. These values are comparable to those reported historically above the Elmtree Gold deposit.

FUTURE EXPLORATION AT ELMTREE:

A follow-up exploration program of line-cutting, additional B-horizon soil sampling, magnetic and induced polarization geophysical surveys and potentially drilling has been recommended following the initial soil geochemistry survey at Elmtree. Murgor has not carried-out this follow-up exploration work, however, and is now looking for a serious exploration partner to carry-out exploration work at Elmtree.

THE PERU PROPERTIES

In January of 2007, Murgor acquired a package of eleven (11) high potential grassroots exploration properties in Peru from gold mining giant AngloGold Ashanti. The acquisition was made by Murgor through Murgor Exploraciones S.A.C. its wholly owned Peruvian subsidiary. The transaction follows a corporate decision by AngloGold Ashanti to reduce its early stage exploration activities in Peru. The six properties cover a total of 12,400 hectares and are 100% owned by Murgor, subject to a 1% net smelter return royalty to AngloGold Ashanti.

In early 2007, Murgor evaluated its newly acquired properties and for strategic reasons, elected to keep the six (6) most promising properties only.

Murgor's properties in Peru are all at the grassroots level and were initially acquired by AngloGold Ashanti for their large-scale alteration, anomalous metal values and proximity to large-scale structures that host such world class gold deposits as Yanacocha and Lagunas Norte (Alto-Chicama). The exploration properties are located throughout Peru in the departments of Ancash, Apurimac, Arequipa, Cusco, Junin and Lima.

Several of the properties show occurrences of gold and polymetallic mineralization. Furthermore, old mine workings are located either within the properties or immediately adjacent to the property boundaries, indicating well developed mineralizing systems. All of Murgor's exploration properties are located within well defined metallogenic districts with high potential for economic mineralization.

FUTURE EXPLORATION OF ITS PERU PROPERTIES:

Murgor has not carried-out any exploration work in Peru since evaluating the properties in the field and to better focus on its Manitoba and Saskatchewan properties, Murgor is currently looking for serious exploration partners to carry-out exploration work.

RESULTS OF OPERATIONS

Three-month period ended January 31, 2008 compared with three-month period ended January 31, 2007

For the three month ended January 31, 2008, the Corporation reported net income of \$652,944 compared to \$989,521 for the three-month period ended January 31, 2007. Basic and fully diluted net income per share was \$0.032 for the three-month period ended January 31, 2008 (\$0.010 – January 31, 2007). Revenue totaled (\$265) at January 31, 2008 (\$41,796 – January 31, 2007). The net decrease of \$42,061 consisted of a decrease of \$4,262 of interest income on bank balances as a lower funds on deposit in fiscal 2008 as compared to fiscal 2007, a loss of \$30,555 on the disposal of marketable securities (\$Nil – January 31, 2007) and \$Nil in operators' fees (\$7,244 – January 31, 2007) charged for project administration due to lower joint venture exploration expenditures incurred during the period. In accordance with Section 3855 of the CICA handbook, marketable securities are carried at fair market value which was higher at October 31, 2007 than the proceeds received when the marketable securities were sold during the three-month period ended January 31, 2008.

Net income for the three-month period ended January 31, 2008 included a write-off, write-down of properties of \$133,156 (\$138,287 – January 31, 2007). Effective May 1, 2007, the Corporation adopted the revised Canadian Institute of Chartered Accountants' Handbook Section 3855 - Financial instruments - recognition and measurement, the Corporation has classified their marketable securities as held for trading, and accordingly they are recognized on the balance sheet at their fair values, and changes in fair value are recognized in income in the period in which the change arises. Fair value is determined by the price of the shares at the balance sheet date. The corresponding gain on adjustment of value of marketable securities was \$123,113 at January 31, 2008 (\$Nil – January 31, 2007). Expenses excluding the write-off, write-down of properties and gain on adjustment of value of marketable securities totaled \$322,988 (\$191,428 – January 31, 2007). The decrease in Professional and accounting fees of \$7,241 to \$51,536 (\$58,777 – January 31, 2007) was as a result of lower fees incurred during the three-month period. Administration expenses and other totaled \$59,705 at January 31, 2008 compared to \$44,022 at January 31, 2007. The net increase of \$15,683 related mainly to an in salaries expenses resulting from a re-negotiation of shared office and related expenses with Freewest Resources Canada Inc.; the implementation of a new accounting system and the awarding of a scholarship. Filing costs and shareholders' information totaled \$138,051 compared to \$59,346 (January 31, 2007). The increase of \$78,705 related mainly to higher advertising, promotion and public relation costs incurred during the period. Interest on the Part XII.6 tax as a consequence of the look-back rule was \$Nil for the three-month periods ended January 31, 2008 and 2007.

The Corporation prospectively adopted the recommendations of the Canadian Institute of Chartered Accountants ("CICA") related to Stock based compensation and other stock payments in fiscal 2004. Unless otherwise approved by the Corporation's directors, stock options are recorded, over an eighteen month period vesting period, as an expense in the three-month period when the stock options become vested. For the three-month period ended January 31, 2008 a total of \$73,696 was recorded as Stock option compensation compared to \$29,283 for the three-month period ended January 31, 2007.

Three-month period ended January 31, 2007 compared with three-month period ended January 31, 2006

For the three month ended January 31, 2007, the Corporation reported a net income of \$989,521 or \$0.010 basic and fully diluted per share, compared to net income of \$380,872 or \$0.006 basic and fully diluted per share in the same period of 2006.

Revenue totaled \$41,796 at January 31, 2007 as compared to \$20,337 at January 31, 2006. The net increase of \$21,459 consisted of an increase of \$25,965 of interest income on bank balances as a result of the equity financings in fiscal 2006 and 2007 and on the exercise of warrants and stock options which was offset by a reduction of \$4,506 in operator's fees charged for project administration due to lower joint venture exploration expenditures incurred during the period.

The net income for the three-month period ended January 31, 2007 included a write-off due to abandonment of properties of \$138,287 (\$5,812 – January 31, 2006). Expenses excluding the write-off due to abandonment of properties totaled \$191,428 (\$93,618 – January 31, 2006). The increase in Professional and accounting fees of \$35,886 to \$58,777 (\$22,891 – January 31, 2006) was as a result of increased fees incurred during the period as well as the higher year-end accruals reflected in the January 31, 2007 amount. Administration expenses and other totaled \$44,022 at January 31, 2007 compared to \$9,479 at January 31, 2006. The increase of \$34,543 related mainly to office salaries expense resulting from a re-negotiation of shared office and related expenses with Freewest Resources Canada Inc. Filing costs and shareholders' information totaled \$59,346 compared to \$57,682 (January 31, 2006). The decrease of \$1,664 related mainly to the timing of advertising, promotion, and public relation costs. The cost of Marketable securities was \$45,750 as at January 31, 2007 (\$Nil – January 31, 2006) while their market value was \$88,500 (\$Nil – January 31, 2006). As Marketable securities are carried at the lower of cost and market, no adjustment of value of marketable securities was required (\$Nil – January 31, 2006). No interest expense on the Part XII.6 tax as a consequence of the look-back rule was paid during the three month period ended January 31, 2007 (\$3,566 – January 31, 2006).

Nine-month period ended January 31, 2008 compared with nine-month period ended January 31, 2007

For the nine-month ended January 31, 2008, the Company reported net income of \$1,612,084 or \$0.083 per share basic and fully diluted compared to net income of \$690,054 or \$0.008 per share basic and fully diluted.

Revenue totaled \$1,463,707 at January 31, 2008 as compared to \$76,761 at January 31, 2007. The net increase of \$1,386,946 consisted of an increase of \$12,814 of interest income on bank balances as a result of funds on deposit as a result of the equity financings in fiscal 2007 and 2008, the exercise of warrants in fiscal 2007 and the proceeds for the sale of marketable securities; \$533,217 of tax credit refunds of certain Quebec exploration expenditures not renounced to private equity investors (\$Nil – October 31, 2006); offset by a reduction of \$15,406 to \$186 (\$15,592 – January 31, 2007) in operator's fees charged for project administration due to lower joint venture exploration expenditures incurred during the period.

Net income for the nine-month period ended January 31, 2008 included a write-off, write-down of properties of \$408,501 (\$216,947 – January 31, 2007). Effective May 1, 2007, the Corporation adopted the revised Canadian Institute of Chartered Accountants' Handbook Section 3855 - Financial instruments - recognition and measurement, the Corporation has classified their marketable securities as held for trading, and accordingly they are recognized on the balance sheet at their fair values, and changes in fair value are recognized in income in the period in which the change arises. Fair value is determined by the price of the shares at the balance sheet date. The corresponding gain on adjustment of value of marketable securities was \$357,006 at January 31, 2008 ((\$4,000) – January 31, 2007). Expenses excluding the write-off, write-down of properties and gain on adjustment of value of marketable securities totaled \$786,368 (\$443,200 – January 31, 2007). The increase in Professional and accounting fees of \$38,434 to \$173,487 (\$135,053 – January 31, 2007) was as a result of increased fees incurred during the period to reflect the significant increase in activities of the Corporation. Administration expenses and other totaled \$136,677 at January 31, 2008 compared to \$76,598 at January 31, 2007. The net increase of \$60,079 related mainly to an increase in salaries expenses resulting from a re-negotiation of shared office and related expenses with Freewest Resources Canada Inc.; the implementation of a new accounting system; and the awarding of a scholarship. Filing costs and shareholders' information totaled \$299,529 compared to \$165,635 (January 31, 2007). The increase of \$133,894 related mainly to higher advertising, promotion and public relation costs incurred during the period. Interest on the Part XII.6 tax as a consequence of the look-back rule was \$Nil for the nine-period ended January 31, 2008 compared to \$280 for the nine-month period ended January 31, 2007.

The Corporation prospectively adopted the recommendations of the Canadian Institute of Chartered Accountants ("CICA") related to Stock based compensation and other stock payments in fiscal 2004. Unless otherwise approved by the Corporation's directors, stock options are recorded, over an eighteen month period vesting period, as an expense in the three-month period when the stock options become vested. For the nine-month period ended January 31, 2008 a total of \$176,675 was recorded as Stock option compensation compared to \$65,634 for the nine-month period ended January 31, 2007.

Nine-month period ended January 31, 2007 compared with nine-month period ended January 31, 2006

For the nine-month ended January 31, 2007, the Corporation reported net income of \$690,054 or \$0.008 basic and fully diluted per share, compared to net income of \$179,663 or \$0.003 per share in the same period of 2006.

Revenue totaled \$76,761 at January 31, 2007 as compared to \$100,511 at January 31, 2006. The decrease of \$23,750 was comprised of an increase of \$38,708 of interest income on bank balances as a result of the equity financings in fiscal 2006 and 2007 and exercise of warrants and stock options offset by a reduction of \$33,833 in operator's fees charged for project administration and \$28,625 from the gain on disposal of marketable securities (January 31, 2006).

The net income for the nine-month period ended January 31, 2007 included a write-off due to abandonment of properties of \$216,947 (\$89,594 – January 31, 2006). Expenses excluding the write-off due to abandonment of properties totaled \$447,200 (\$291,219 – January 31, 2006). The increase in Professional and accounting fees of \$29,598 to \$135,053 (\$105,455 – January 31, 2006) was as a result of increased fees incurred during the period as well as the higher year-end accruals. Administration expenses and other totaled \$76,598 at January 31, 2007 compared to \$28,710 at January 31, 2006. The increase of \$47,888 related mainly to office salaries expense resulting from a re-negotiation of shared office and related expenses with Freewest Resources Canada Inc... Filing costs and shareholders' information totaled \$165,635 compared to \$109,550 (January 31, 2006). The increase of \$56,085 related mainly to higher advertising, promotion, and public relation costs related to the significant increase in the activities at the Corporation. Interest expenses of \$280 (\$30,435 – January 31, 2006) were incurred as a result of the period in which the exploration expenditures were incurred.

SUMMARY OF QUARTERLY RESULTS

The following table presents unaudited selected financial information for eight of the most recently completed financial quarters:

	2008			2007			2006	
	Q3 \$	Q2 \$	Q1 \$	Q4 \$	Q3 \$	Q2 \$	Q1 \$	Q4 \$
Revenues	(265)	1,386,107	77,865	43,409	41,796	14,298	19,481	28,277
Net (loss) income	652,944	1,405,401	(446,263)	(351,239)	989,521	(174,575)	(124,892)	(423,326)
Basic net (loss) income per share	0.032	0.012	(0.004)	(0.003)	0.010	(0.002)	(0.001)	(0.005)
Fully diluted net (loss) income per share	0.032	0.012	(0.004)	(0.003)	0.010	(0.002)	(0.001)	(0.005)

The Corporation has no dividend policy and has no intention of developing a dividend policy in the foreseeable future. The Corporation has paid no dividends and has no retained earnings from which it might pay dividends.

LIQUIDITY

Nine-month period ended January 31, 2008 compared with nine-month period ended January 31, 2007

As at January 31, 2008, the Corporation maintained a cash and equivalent position of \$3,279,180 (\$5,242,838 as at January 31, 2007) and working capital of \$3,865,859 as compared to a working capital of \$5,293,656 as at January 31, 2007. The Corporation has no long-term debt. Management is of the opinion that the current cash position is sufficient to meet current commitments. Full development of some mineral properties would require substantially more financial resources. Traditionally, the Corporation has been able to rely on its ability to raise financing in public and private negotiated equity offerings. The Corporation may also advance the development of mineral properties through joint-venture participation.

Murgor completed two (2) financings during the nine-month period ended January 31, 2008 for gross proceeds of \$3,082,000 compared to one (1) financing for gross proceeds of \$6,000,000. A total of 922,857 shares were issued on the exercise of stock options with total proceeds to the Corporation of \$120,000 (\$70,100 – January 31, 2007). No warrants were exercised during the nine-month period ended October 31, 2007 while 4,249,694 shares were issued on the exercise of warrants with total proceeds to the Corporation of \$798,816 during the nine-month period ended January 31, 2007.

Nine-month period ended January 31, 2007 compared with nine-month period ended January 31, 2006

As at January 31, 2007, the Corporation maintained a cash and equivalent position of \$5,242,838 (\$2,156,564 as at January 31, 2006) and working capital of \$5,293,656 as compared to a working capital of \$2,083,231 as at October 31, 2006. The Corporation has no long-term debt. Management is of the opinion that the current cash position is sufficient to meet current commitments. Full development of some mineral properties would require substantially more financial resources. Traditionally, the Corporation has been able to rely on its ability to raise financing in public and private negotiated equity offerings. The Corporation may also advance the development of mineral properties through joint-venture participation.

On December 14, 2006, the Corporation completed a private placement for gross proceeds of \$6,000,000. At the closing, Murgor issued 16 million flow-through units, for gross proceeds of \$4 million (\$3,992,000 flow-through amount and \$8,000 in common shares amount). Each flow-through unit consists of one flow-through common share and one-half of a common share purchase warrant. Each full warrant entitles the holder to acquire one additional common share at a price of \$0.35 for a period of 18 months from the closing date. Murgor also issued 10 million non-flow-through units, for gross proceeds of \$2 million. Each unit consists of one common share and one-half of a common share purchase warrant. Each full warrant entitles the holder to acquire one additional common share at a price of \$0.30 for a period of 24 months from the closing date. In connection with this financing, Murgor issued 2,340,000 broker units exercisable at \$0.20 for a 24 month period from the closing date. Should these broker units be exercised, an additional 1,170,000 warrants exercisable at \$0.30 would be issued and would expire on the same date as the original warrants.

MINING PROPERTIES AND DEFERRED COSTS

	April 30, 2007	Expenditures	Proceeds from option agreements	(Write-off)	January 31, 2008
	\$	\$	\$	\$	\$
Quebec					
Fancamp					
Acquisition	39,947	-	-	-	39,947
Exploration	1,735,489	10	-	-	1,735,499
Benoist					
Acquisition	32,802	-	-	-	32,802
Exploration	849,993	-	-	-	849,993
Barry					
Acquisition	215,394	14	(1,888,914)	(21)	(1,673,527)
Exploration	2,932,290	8,883	-	-	2,941,173
Windfall					
Acquisition	79,957	3,250	(243,750)	-	(160,543)
Exploration	1,884,555	1,897	-	-	1,886,452
La Trève					
Acquisition	142,057	1,400	-	-	143,457
Exploration	324,678	8	-	-	324,686
Eagle River					
Acquisition	10,018	750	-	-	10,768
Exploration	138,198	-	-	-	138,198
Nelligan					
Acquisition	36,931	92,455	(89,600)	-	39,786
Exploration	93,759	8	-	-	93,767
Others					
Acquisition	-	-	-	-	-
Exploration	-	12,332	-	(12,332)	-
	8,516,068	121,007	(2,222,264)	(12,353)	6,402,458
Ontario					
Mishibishu					
Acquisition	55,598	-	(31,500)	-	24,098
Exploration	248,650	-	-	-	248,650
Mystery					
Acquisition	2,400	-	-	-	2,400
Exploration	132,757	-	-	-	132,757
Clay Lake					
Acquisition	5,015	-	-	-	5,015
Exploration	233,397	9	-	-	233,406
Others					
Acquisition	-	-	-	-	-
Exploration	-	197,648	-	(197,648)	-
	677,817	197,657	(31,500)	(197,648)	646,326

MINING PROPERTIES AND DEFERRED COSTS (Cont'd)

	April 30, 2007	Expenditures	Proceeds from option agreements	(Write-off)	January 31, 2008
	\$	\$	\$	\$	\$
New Brunswick					
Mount Pleasant					
Acquisition	(26,345)	-	(96,000)	-	(122,345)
Exploration	81,787	-	-	-	81,787
Elmtree					
Acquisition	30,349	24,054	-	-	54,403
Exploration	21,861	21,261	-	-	43,122
Other					
Acquisition	-	-	-	-	-
Exploration	-	4,500	-	(4,500)	-
	107,652	49,815	(96,000)	(4,500)	56,967
Manitoba					
Hudvam					
Acquisition	390	20,024	-	-	20,414
Exploration	1,479,612	1,185,176	-	(47,627)	2,617,161
Wim					
Acquisition	68,344	20,048	-	-	88,392
Exploration	647,443	2,627,333	-	(17,268)	3,257,508
Zyl					
Acquisition	-	-	-	-	-
Exploration	-	4,749	-	(47,627)	(42,878)
Snow-H					
Acquisition	126,135	6,279	-	-	132,414
Exploration	498,291	219,793	-	-	718,084
Others					
Acquisition	-	11,448	-	(367)	11,081
Exploration		141,311	-	(141,052)	259
	2,820,215	4,236,161	-	(253,941)	6,802,435
Saskatchewan					
Fon					
Acquisition	18,035	20,000	-	-	38,035
Exploration	1,341,955	168,170	-	(34,130)	1,475,995
Flin-D					
Acquisition	85,659	110,090	-	-	195,749
Exploration	376,041	174,473	-	-	550,514

MINING PROPERTIES AND DEFERRED COSTS (Cont'd)

	April 30, 2007	Expenditures	Proceeds from option agreements	(Write-off)	January 31, 2008
	\$	\$	\$	\$	\$
Saskatchewan (Cont'd)					
Tyr					
Acquisition	274	10,000	-	-	10,274
Exploration	49,196	8,710	-	-	57,906
Other					
Acquisition	-	-	-	-	-
Exploration	-	25,590	-	(25,590)	-
	1,871,160	517,033	-	(59,720)	2,328,473
Canadian Properties	13,992,912	5,121,673	(2,349,764)	(528,162)	16,236,659
South America					
Acquisition	199,533	40,706	-	-	240,239
Exploration	-	26,991	-	(26,991)	-
	199,533	67,697	-	(26,991)	240,239
Stock Option Compensation	101,323	85,353	-	-	186,676
	14,293,768	5,274,723	(2,349,764)	(555,153)	16,663,574

For the nine-month period ended January 31, 2008, the Corporation incurred exploration expenditures totaling \$4,828,852 of which \$23,138 was incurred in Quebec; \$197,657 in Ontario; \$25,761 in New Brunswick; \$4,178,362 in Manitoba; \$376,943 in Saskatchewan and \$26,991 in South America. The exploration expenditures incurred in Canada of \$4,801,861 were funded through the amount raised from Murgor's private placement equity financings and the proceeds from the exercise of stock options and warrants.

ADMINISTRATION EXPENSES AND OTHER

The table below details the amounts included in Administration expenses and other of \$136,677 for the nine-month period ended January 31, 2008 (\$76,598 – January 31, 2007):

	January 31, 2008	January 31, 2007
	\$	\$
Office Expenses		
Dues and Subscriptions	2,074	1,755
Insurance	9,831	7,675
Office Supplies and Other	7,688	1,615
Rent and Office Services	9,000	9,000
Salaries	68,432	56,553
Accounting System	26,282	-
Scholarship	13,370	-
	136,677	76,598

CAPITAL STOCK

On November 22, 2007, the Corporation announced that it had filed Articles of Amendment so as to consolidate its issued and outstanding common shares on the basis of one share for every six shares issued and outstanding. The consolidation of Murgor's common shares was approved by Murgor's shareholders at an annual special meeting of shareholders held on October 25, 2007 and has received regulatory approval. Murgor's shares began trading on the consolidated basis on the TSX Venture Exchange on November 26, 2007 under the new stock symbol "MGR".

a) The authorized and issued capital stock of the Corporation consists of the following:

Authorized:

An unlimited number of no par value common shares.

	Number of Shares #	Amount \$
Issued:		
Balance at beginning, April 30, 2007 (audited)	112,002,586	23,222,752
Issuance of shares on acquisition of mining properties	253,488	43,750
Issuance of shares for exercise of options	922,857	120,000
Balance at November 26, 2007	<u>113,178,931</u>	<u>23,386,502</u>
Consolidated balance at November 26, 2007	18,863,010	23,386,502
Issuance of shares under flow-through agreements	3,754,283	3,140,000
Issuance of shares for cash	1,414,122	848,473
Issuance of shares on acquisition of mining properties	79,787	90,000
Issued and fully paid	<u>24,111,202</u>	<u>27,464,975</u>
Tax benefits renounced on flow-through shares	-	(986,240)
Balance at March 21, 2008 (unaudited)	<u><u>24,111,202</u></u>	<u><u>26,478,735</u></u>

b) Stock option plan

	Number of Options #	Weighted Average Exercise Price \$
Balance at beginning April 30, 2007 (audited)	7,566,593	0.16
Granted	750,000	0.51
Exercised	(922,857)	0.13
Cancelled/Expired	(88,736)	0.14
Balance at November 26, 2007	<u>7,305,000</u>	<u>0.20</u>
Consolidated balance at November 26, 2007	1,217,483	1.21
Granted	45,000	0.60
Cancelled/Expired	(66,666)	4.50
Balance at March 21, 2008 (unaudited)	<u><u>1,195,817</u></u>	<u><u>1.21</u></u>

CAPITAL STOCK (Cont'd)

Accounting for the stock-based compensation plan

The fair value of the 145,831 (875,000 pre-consolidation) options granted during the fiscal year ended April 30, 2005 amounted to \$55,706 after giving effect to the deduction of \$24,000 for the non-vested portion of the options which expired upon the resignation of the optionee in 2006. The fair value was estimated by using the Black-Scholes options pricing model with the following weighted-average assumptions and is being recorded as an expense over the eighteen month vesting period. For the three-month and nine-month periods ended January 31, 2008 a total of \$Nil was recorded as an administration expense and \$Nil as an exploration expenditure.

Number of Options granted	62,500	83,331
Weighted risk-free interest rate	2.45%	3.24%
Expected volatility	108.5%	116%
Dividend yield	Nil	Nil
Weighted average expected life	2 years	5 years

The fair value of the 266,665 (1,600,000 pre-consolidation) options granted during the fiscal year ended April 30, 2006 amounted to \$158,906 after giving effect to the deduction of \$1,992 for the non-vested portion of the options which expired upon the resignation of the optionee in 2007 and was estimated by using the Black-Scholes options pricing model with the following weighted average assumptions and is being recorded as an expense over the eighteen month vesting period. For the three-month period ended January 31, 2008 a total of \$Nil was recorded as an administration expense and \$Nil as an exploration expenditure. For the nine-month period ended January 31, 2008 a total of \$29,283 was recorded as an administration expense and \$13,638 as an exploration expenditure.

Number of Options Granted	25,000	50,000	16,665	125,000	50,000
Weighted risk-free interest rate	4.25%	4.00%	4.00%	4.00%	4.00%
Expected volatility	91%	113%	110%	110%	110%
Dividend yield	Nil	Nil	Nil	Nil	Nil
Weighted average expected life	3 years	5 years	5 years	5years	5 years

The fair value of the 293,329 (1,760,000 pre-consolidation) options granted during the fiscal year ended April 30, 2007 amounted to \$309,129 and was estimated by using the Black-Scholes options pricing model with the following weighted-average assumptions and is being recorded as an expense over the eighteen month vesting period. For the three-month period ended January 31, 2008 a total of \$62,661 was recorded as an administration expense and \$33,940 as an exploration expenditure. For the nine-month periods ended January 31, 2008 a total of \$125,332 was recorded as an administration expense and \$67,880 as an exploration expenditure.

Number of Options granted	10,000	16,666	16,666
Weighted risk-free interest rate	4.25%	3.75%	4.25%
Expected volatility	84%	100%	82%
Dividend yield	Nil	Nil	Nil
Weighted average expected life	3 years	5 years	2 years

Number of Options granted	191,666	33,332	24,999
Weighted risk-free interest rate	3.75%	3.75%	3.75%
Expected volatility	90%	90%	90%
Dividend yield	Nil	Nil	Nil
Weighted average expected life	5 years	5 years	5 years

CAPITAL STOCK (Cont'd)

Accounting for the stock-based compensation plan

The fair value of the 169,998 (1,020,000 pre-consolidation) options granted during the fiscal year ended April 30, 2008 amounted to \$80,279 and was estimated by using the Black-Scholes options pricing model with the following weighted-average assumptions and is being recorded as an expense over the eighteen month vesting period. For the three-month ended January 31, 2008 a total of \$11,035 was recorded as an administration expense and \$3,834 as an exploration expenditure. For the nine-month period ended January 31, 2008 a total of \$22,070 was recorded as an administration expense and \$3,834 as an exploration expenditure.

Number of Options granted	666,666	16,666	41,666
Weighted risk-free interest rate	4.17%	4.54%	4.22%
Expected volatility	75.7%	86.3%	115.8%
Dividend yield	Nil	Nil	Nil
Weighted average expected life	2 years	5 years	5 years
Number of Options granted	40,000		
Weighted risk-free interest rate	3.96%		
Expected volatility	160%		
Dividend yield	Nil		
Weighted average expected life	1 year		

c) Warrants

	Number of Warrants #	Weighted Average Exercise Price \$
Balance at beginning April 30, 2007 (audited)	26,346,925	0.27
Exercised	-	-
Expired	-	-
Balance at November 26, 2007	<u>26,346,925</u>	<u>0.27</u>
Consolidated balance at November 26, 2007	4,391,156	1.60
Granted	331,428	1.05
Expired	<u>(1,639,490)</u>	<u>1.17</u>
Balance at March 21, 2007 (unaudited)	<u><u>3,083,094</u></u>	<u><u>1.77</u></u>

RELATED PARTY TRANSACTIONS

All related party transactions are in the normal course of operations and are measured at the exchange value which is the amount of consideration established and agreed to by the related parties. A director and an officer of the Corporation are also a director and an officer of a related corporation.

The related corporation charged an aggregate amount of \$29,731 (\$36,085 – January 31, 2007) for administrative costs, services, shared office expenses and exploration expenditures. A total of \$16,667 (\$Nil – January 31, 2007) in remuneration was paid to an Officer in his capacity as Secretary-Treasurer & CFO. Prepaid expenses included an amount of \$17,478 (\$4,287 – January 31, 2007) representing advances to directors and officers for upcoming office and exploration expenditures.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation does not have any off-balance sheet arrangements.

CRITICAL ACCOUNTING POLICIES

The Corporation prepares its consolidated financial statements in conformity with Generally Accepted Accounting Principles (“GAAP”) in Canada. The Corporation detailed its significant accounting policies in Note 2 to its audited consolidated financial statements for the year ended April 30, 2007 and has identified the following accounting policies, which are believed to be the most critical in fully understanding and evaluating the reported financial results:

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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of impairment of assets, mineral property carrying values, useful lives for depreciation and amortization, determination of liability for taxes as a result of flow-through renunciation reversals and determination of fair value for stock based transactions. Financial results as determined by actual events could differ from those estimates.

Mineral exploration and development costs are capitalized on an individual basis until such time as an economic ore body is defined or the prospect is abandoned. Costs for a producing prospect will be amortized over a period of years, pro-rata to anticipated income, while the costs for the prospects abandoned are written off. The recoverability of the amounts capitalized for the undeveloped mineral properties is dependent upon the determination of economically recoverable ore reserves, confirmation of the Corporation’s interest in the underlying mineral claims, the ability to obtain the necessary financing to complete their development and future profitable production or proceeds from the disposition thereof. The Corporation assesses its capitalized resource property costs on a regular basis. A property is written down or written off when the Corporation determines that a permanent impairment has occurred or when exploration results indicate that no further work is warranted. A sale of an interest in claims is credited directly to expenditures until such time as all related expenditures are recovered and direct costs incurred to maintain claims are capitalized. Title to mineral 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 mineral properties. The Corporation has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

From time to time, the Corporation may acquire or dispose of properties pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as resource property costs or recoveries when the payments are made or received.

The Corporation is engaged primarily in mineral exploration and manages related industry risk issues directly. The Corporation may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

The financial statements are presented in Canadian dollars. Foreign denominated monetary assets and liabilities are translated to their Canadian dollar equivalents using foreign exchange rates in effect at the balance sheet date. Non-monetary items are translated at historical exchange rates, except for items carried at market value, which are translated at the rate of exchange in effect at the balance sheet date. Revenues and expenses are translated at average rates of exchange during the period. Exchange gains or losses arising on foreign currency translation are included in the determination of operating results for the period.

The Corporation has two stock option plans as described in note 8(b) to its audited consolidated financial statements for the year ended April 30, 2007. Effective May 1, 2003, the Corporation adopted prospectively the recommendations of the Canadian institute of chartered accountants handbook Section 3870, Stock-based compensation and other stock-based payments and began expensing prospectively its stock-based compensation.

This Section defines notably recognition, measurement and disclosure standards for stock-based payments to non-employees and employees. Under these standards, all stock-based payments made to non-employees and employees are systematically accounted for in the Corporation's financial statements. These standards define a fair value-based method of accounting. Under this method, compensation cost should be measured at the grant date based on the fair value of the award and is recognized over the related service period. The cost of the stock option compensation plan is recognized in deferred exploration expenditures and administration expenses with a corresponding credit to Contributed surplus using the fair value based method of accounting of awards.

Earnings per share computations are based upon the weighted average number of common shares outstanding during the years. The Corporation uses the treasury stock method, to compute the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon the exercise of options and warrants. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. In the year of a loss, no diluted loss per share is provided as the inclusion of outstanding share purchase options and warrants would be anti-dilutive.

The Corporation uses the asset and liability method of accounting for income taxes. Under the asset and liability method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of substantive enactment. When the future realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the potential future benefit is taken and no net asset is recognized.

The resource expenditure deductions for income tax purposes related to exploration activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. Under the recommendations of the Emerging Issues Committee (EIC 146), future income tax liabilities resulting from the renunciation of qualified mineral expenditures by the Corporation is recorded as a reduction in share capital, provided there is reasonable assurance that the expenditure will be incurred.

Income is recorded on as-earned basis.

Exploration funds consist of cash, term deposits and short-term investments and represent the unexpended proceeds of financing under the terms of which the Corporation committed to spending the amounts on the exploration of mining properties in Canada.

The Corporation considers cash and cash equivalents to include amounts held in banks and highly liquid investments with remaining maturities at point of purchase of 90 days or less. The Corporation places its cash and cash equivalents with institutions of high-credit worthiness.

The Corporation is entitled to refundable mining rights tax credits on certain mining exploration expenditures incurred in Canada. These tax credits will be applied against the costs incurred.

Certain of the comparative figures have been reclassified to conform to the current year's presentation.

CHANGES IN ACCOUNTING POLICIES

Effective May 1, 2007, the Corporation adopted the revised Canadian Institute of Chartered Accountants' Handbook Section 3855 - Financial instruments - recognition and measurement, the Corporation has classified their marketable securities as held for trading, and accordingly they are recognized on the balance sheet at their fair values, and changes in fair value are recognized in income in the period in which the change arises. Fair value is determined by the price of the shares at the balance sheet date.

The Corporation also adopted a new accounting policy related to the amortization of Equipment effective May 1, 2007. The Corporation records amortization of Equipment over a three year period on a straight-line basis.

FINANCIAL INSTRUMENTS

The Corporation's financial instruments consist of cash, cash held for exploration work, marketable securities, accounts receivable, accounts payable and accrued liabilities, due to related parties and due to related corporation. Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity for prompt liquidation.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Chief Executive Officer ("CEO") and the Secretary-Treasurer ("CFO"), on a timely basis so that appropriate decisions can be made regarding public disclosure.

As of the end of the period covered by this report, Murgor's management evaluated the effectiveness of the design and operation of its disclosure controls and procedures under the supervision of, and with the participation of the CEO and CFO. Based on this evaluation, the CEO and CFO have concluded that the Corporation's disclosure controls and procedures, as defined in Multilateral Instrument 52-109, Certification of Disclosure in Issuers Annual and Interim Filings are effective to ensure that material information relating to Murgor Resources Inc. is made known to management on a timely basis and is included in this report.

INTERNAL CONTROL OVER FINANCIAL REPORTING

As of the end of the period covered by this report, Murgor's management provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with GAAP.

During the period covered by this report, there has been no change in internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Issuer's internal control over financial reporting.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation of the financial statements and other financial information relating to the Corporation included in this interim report. The financial statements have been prepared in accordance with generally accepted accounting principles in Canada and necessarily include amounts based on estimates and judgements of management. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects. The Corporation has established and maintains disclosure controls and procedures over financial reporting. The certifying officers have evaluated the effectiveness of the issuer's disclosure controls and procedures as at January 31, 2008 and have concluded that such procedures are adequate and effective to ensure accurate and complete disclosures in this interim report.

(Signed: André C. Tessier)
President & CEO

(Signed: Mark Schneiderman)
Secretary-Treasurer & CFO

Montreal, Quebec
March 21, 2008

MURGOR RESOURCES INC.
(A DEVELOPMENT STAGE CORPORATION)
INTERIM CONSOLIDATED BALANCE SHEETS
AS AT

	January 31 2008 (Unaudited)	April 30 2007 (Audited)
	<u>\$</u>	<u>\$</u>
Assets		
Current assets		
Cash (note 4)	1,658,420	2,424,069
Cash held for exploration work (note 4)	1,620,760	26,279
Marketable securities (note 5)	1,252,804	45,750
Accounts receivable (note 6)	250,370	347,653
Prepaid expenses (note 8)	95,536	57,182
	<u>4,877,890</u>	<u>2,900,933</u>
Equipment (net of accumulated amortization of \$30,000)	90,000	-
Mining properties and deferred costs	<u>16,663,574</u>	<u>14,293,768</u>
	<u><u>21,631,464</u></u>	<u><u>17,194,701</u></u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	1,002,207	642,383
Due to related parties (note 8)	-	14,063
Due to related corporation (note 8)	9,824	16,049
	<u>1,012,031</u>	<u>672,495</u>
Shareholders' equity		
Capital stock (note 7)	25,630,262	23,222,752
Contributed surplus (note 7)	1,216,791	800,535
Deficit	<u>(6,227,620)</u>	<u>(7,501,081)</u>
	<u>20,619,433</u>	<u>16,522,206</u>
	<u><u>21,631,464</u></u>	<u><u>17,194,701</u></u>

See accompanying notes to financial statements

Approved on Behalf of the Board:

(signed) André C. Tessier Director

(signed) Mackenzie I. Watson Director

MURGOR RESOURCES INC.
(A DEVELOPMENT STAGE CORPORATION)
INTERIM CONSOLIDATED STATEMENTS OF INCOME AND DEFICIT
(UNAUDITED)

	Three-month period ended		Nine-month period ended	
	January 31		January 31	
	2008	2007	2008	2007
	\$	\$	\$	\$
Revenue				
Interest	30,290	34,552	73,983	61,169
Gain (loss) on disposal of marketable securities	(30,555)	-	856,321	-
Other income	-	-	533,217	-
Operator's fees	-	7,244	186	15,592
	<u>(265)</u>	<u>41,796</u>	<u>1,463,707</u>	<u>76,761</u>
Expenses				
Professional and accounting fees	51,536	58,777	173,487	135,053
Administration expenses and other	59,705	44,022	136,677	76,598
Filing costs and shareholders' information	138,051	59,346	299,529	165,635
Interest	-	-	-	280
Write-off, write-down of properties	133,156	138,287	408,501	216,947
(Gain) loss on adjustment of value of marketable securities	(123,113)	-	(357,006)	4,000
Stock option compensation	73,696	29,283	176,675	65,634
	<u>333,031</u>	<u>329,715</u>	<u>837,863</u>	<u>664,147</u>
Income (loss) before recovery of income taxes	(333,296)	(287,919)	625,844	(587,386)
Income taxes - future	986,240	1,277,440	986,240	1,277,440
Net income for the period	652,944	989,521	1,612,084	690,054
Deficit - beginning of period	(6,541,941)	(7,034,882)	(7,501,081)	(6,735,415)
Issue costs	<u>(338,623)</u>	<u>(1,098,361)</u>	<u>(338,623)</u>	<u>(1,098,361)</u>
Deficit - end of period	<u><u>(6,227,620)</u></u>	<u><u>(7,143,722)</u></u>	<u><u>(6,227,620)</u></u>	<u><u>(7,143,722)</u></u>
Basic and fully diluted net income per share	<u>0.032</u>	<u>0.010</u>	<u>0.083</u>	<u>0.008</u>
Weighted average number of outstanding shares	<u>20,624,444</u>	<u>94,925,441</u>	<u>19,398,005</u>	<u>84,968,095</u>

See accompanying notes to financial statements

MURGOR RESOURCES INC.
(A DEVELOPMENT STAGE CORPORATION)
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Three-month period ended		Nine-month period ended	
	January 31		January 31	
	2008	2007	2008	2007
	\$	\$	\$	\$
Cash flows from (used in) operating activities				
Net income	652,944	989,521	1,612,084	690,054
Adjustments for:				
(Gain) loss on disposal of marketable securities	30,555	-	(856,321)	-
Write-off, write-down of properties	133,156	138,287	408,501	216,947
Stock option compensation	73,696	29,283	176,675	65,634
(Gain) loss on adjustment of value of marketable securities	(123,113)	-	(357,006)	4,000
Income taxes - future	(986,240)	(1,277,440)	(986,240)	(1,277,440)
	<u>(219,002)</u>	<u>(120,349)</u>	<u>(2,307)</u>	<u>(300,805)</u>
Changes in non-cash components of working capital				
Accounts receivable	(95,133)	(20,543)	97,283	80,552
Due from related corporation	-	-	-	229,211
Prepaid expenses	(24,967)	(324,242)	(38,354)	(333,100)
Accounts payable and accrued liabilities	169,363	283,380	359,824	302,796
Due to related parties	-	(14,726)	(14,063)	(8,576)
Due to related corporation	6,140	9,225	(6,225)	9,778
	<u>55,403</u>	<u>(66,906)</u>	<u>398,465</u>	<u>280,661</u>
Cash flows from (used in) operating activities	<u>(163,599)</u>	<u>(187,255)</u>	<u>396,158</u>	<u>(20,144)</u>
Cash flows from (used in) investing activities				
Proceeds on disposal of marketable securities	316,483	-	1,419,809	-
Acquisition of equipment	-	-	(120,000)	-
Mining claims acquired	(18,130)	(369,939)	(202,915)	(515,097)
Exploration expenditures deferred	(2,797,227)	(1,044,091)	(4,680,075)	(2,021,406)
Proceeds from option agreements	-	200,000	936,250	215,000
Cash flows (used in) investing activities	<u>(2,498,874)</u>	<u>(1,214,030)</u>	<u>(2,646,931)</u>	<u>(2,321,503)</u>
Cash flows from (used in) financing activities				
Common shares issued	3,082,000	6,122,486	3,202,000	6,918,816
Issue costs	(122,395)	(607,419)	(122,395)	(607,419)
Cash flows from financing activities	<u>2,959,605</u>	<u>5,515,067</u>	<u>3,079,605</u>	<u>6,311,397</u>
Increase in cash and cash equivalents	297,132	4,113,782	828,832	3,969,750
Cash and cash equivalents - beginning of period	2,982,048	1,129,056	2,450,348	1,273,088
Cash and cash equivalents - end of period	<u>3,279,180</u>	<u>5,242,838</u>	<u>3,279,180</u>	<u>5,242,838</u>
Cash and cash equivalents are composed of:				
Cash	1,658,420	2,137,170	1,658,420	2,137,170
Cash held for exploration work	1,620,760	3,105,668	1,620,760	3,105,668
	<u>3,279,180</u>	<u>5,242,838</u>	<u>3,279,180</u>	<u>5,242,838</u>

ADDITIONAL INFORMATION

Interest received	30,290	34,552	73,983	61,169
Interest paid	-	-	-	280
Income taxes paid	-	-	-	-

See accompanying notes to financial statements

MURGOR RESOURCES INC.
(A DEVELOPMENT STAGE CORPORATION)
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2008
(UNAUDITED)

1. Nature of operations and going concern

The Corporation is presently engaged in the business of exploration and development of its mining properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

The recoverability of amounts shown for mining properties and related deferred costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Corporation's interest in the underlying mining claims, the ability of the Corporation to obtain necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

To date, the Corporation has not earned significant revenues and is considered to be in the development stage. The Corporation has an accumulated deficit of \$6,227,620 at January 31, 2008.

The accompanying financial statements have been prepared using Canadian generally accepted accounting principles applicable to a going concern. However, the Corporation is in the development stage and is subject to the risks and challenges particular to companies at this stage. There is no assurance that the Corporation's projects will be successful. As a result, there may be substantial doubt regarding the going concern assumption. The Corporation continuing operations are dependent on the ability to secure adequate financing, the discovery of economically recoverable mineral reserves, securing and maintaining title or beneficial interest in the mining properties and on future profitable production or proceeds from the disposition of the mineral property interests. While the Corporation is expending its best efforts to achieve the above plans, there is no assurance that any such activity will generate sufficient funds for operations. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption be inappropriate. These adjustments could be material.

2. Significant accounting policies

a) Consolidated financial statements

These consolidated financial statements include the accounts of the Corporation and of its wholly-owned subsidiary Murgor Exploraciones S.A.C.

b) Basis of presentation

These financial statements are prepared in accordance with generally accepted accounting principles in Canada. The significant accounting policies followed by the Corporation have been applied consistently in the preparation of these financial statements. These accounting policies are summarized below.

c) Amortization

The Corporation records amortization of equipment over a three year period on a straight-line basis.

d) 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of impairment of assets, mineral property carrying values, useful lives for depreciation and amortization, determination of liability for taxes as a result of flow-through renunciation reversals and determination of fair value for stock based transactions. Financial results as determined by actual events could differ from those estimates.

MURGOR RESOURCES INC.
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e) Mining properties and deferred costs

Mineral exploration and development costs are capitalized on an individual basis until such time as an economic ore body is defined or the prospect is abandoned. Costs for a producing prospect will be amortized over a period of years, pro-rata to anticipated income, while the costs for the prospects abandoned are written off.

The recoverability of the amounts capitalized for the undeveloped mineral properties is dependent upon the determination of economically recoverable ore reserves, confirmation of the Corporation's interest in the underlying mineral claims, the ability to obtain the necessary financing to complete their development and future profitable production or proceeds from the disposition thereof.

The Corporation assesses its capitalized resource property costs on a regular basis. A property is written down or written off when the Corporation determines that a permanent impairment has occurred or when exploration results indicate that no further work is warranted. A sale of an interest in claims is credited directly to expenditures until such time as all related expenditures are recovered and direct costs incurred to maintain claims are capitalized.

Title to mineral 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 mineral properties. The Corporation has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

f) Property option agreements

From time to time, the Corporation may acquire or dispose of properties pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as resource property costs or recoveries when the payments are made or received.

g) Risk management

The Corporation is engaged primarily in mineral exploration and manages related industry risk issues directly. The Corporation may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

h) Foreign currency translation

The financial statements are presented in Canadian dollars. Foreign denominated monetary assets and liabilities are translated to their Canadian dollar equivalents using foreign exchange rates in effect at the balance sheet date. Non-monetary items are translated at historical exchange rates, except for items carried at market value, which are translated at the rate of exchange in effect at the balance sheet date. Revenues and expenses are translated at average rates of exchange during the period. Exchange gains or losses arising on foreign currency translation are included in the determination of operating results for the period.

i) Financial Instruments

Effective May 1, 2007, the Corporation adopted the revised Canadian Institute of Chartered Accountants' Handbook Section 3855 - Financial instruments - recognition and measurement, the Corporation has classified their marketable securities as held for trading, and accordingly they are recognized on the balance sheet at their fair values, and changes in fair value are recognized in income in the period in which the change arises. Fair value is determined by the price of the shares at the balance sheet date.

MURGOR RESOURCES INC.
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j) Stock-based compensation

The Corporation has two stock option plans as described in note 8(b) to its audited consolidated financial statements for the year ended April 30, 2007. Effective May 1, 2003, the Corporation adopted prospectively the recommendations of the Canadian institute of chartered accountants handbook Section 3870, Stock-based compensation and other stock-based payments and began expensing prospectively its stock-based compensation. This Section defines notably recognition, measurement and disclosure standards for stock-based payments to non-employees and employees. Under these standards, all stock-based payments made to non-employees and employees are systematically accounted for in the Corporation's financial statements. These standards define a fair value-based method of accounting. Under this method, compensation cost should be measured at the grant date based on the fair value of the award and is recognized over the related service period. The cost of the stock option compensation plan is recognized in deferred exploration expenditures and administration expenses with a corresponding credit to Contributed surplus using the fair value based method of acco

k) Earnings per share

Earnings per share computations are based upon the weighted average number of common shares outstanding during the periods. The Corporation uses the treasury stock method, to compute the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon the exercise of options and warrants. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. In the period of a loss, no diluted loss per share is provided as the inclusion of outstanding share purchase options and warrants would be anti-dilutive.

l) Income taxes

The Corporation uses the asset and liability method of accounting for income taxes. Under the asset and liability method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of substantive enactment. When the future realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the potential future benefit is taken and no net asset is recognized.

m) Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. Under the recommendations of the Emerging Issues Committee (EIC 146), future income tax liabilities resulting from the renunciation of qualified mineral expenditures by the Corporation is recorded as a reduction in share capital, provided there is reasonable assurance that the expenditure will be incurred.

n) Revenue recognition

Income is recorded on as-earned basis.

MURGOR RESOURCES INC.
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o) Cash held for exploration

Exploration funds consist of cash, term deposits and short-term investments and represent the unexpended proceeds of financing under the terms of which the Corporation committed to spending the amounts on the exploration of mining properties in Canada.

p) Cash and cash equivalents

The Corporation considers cash and cash equivalents to include amounts held in banks and highly liquid investments with remaining maturities at point of purchase of 90 days or less. The Corporation places its cash and cash equivalents with institutions of high-credit worthiness.

q) Mining rights tax credit and tax credit for mining exploration companies

The Corporation is entitled to refundable mining rights tax credits on certain mining exploration expenditures incurred in Canada. These tax credits will be applied against the costs incurred.

r) Comparative figures

Certain of the comparative figures have been reclassified to conform to the current year's presentation.

3. Fair value of financial instruments

The Corporation's financial instruments consist of cash, cash held for exploration work, marketable securities, accounts receivable, accounts payable and accrued liabilities, due to related parties and due to related corporation. Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity for prompt liquidation.

4. Cash and cash held for exploration work

Interest earned on cash deposits fluctuated daily at bank prime less 2.25% annually.

5. Marketable securities

Effective May 1, 2007, the Corporation adopted the revised Canadian Institute of Chartered Accountants' Handbook Section 3855 - Financial instruments - recognition and measurement and has classified the marketable securities as held for trading. The fair value of the marketable securities at January 31, 2008 was \$1,252,804. The changes in fair value for the three-month and nine-month periods ended January 31, 2008 of \$123,113 and \$357,006 were recorded as income in the respective periods.

6. Accounts receivable

Accounts receivable consist mainly of recoverable goods and services taxes paid by the Corporation.

7. Capital stock

On November 22, 2007, the Corporation announced that it had filed Articles of Amendment so as to consolidate its issued and outstanding common shares on the basis of one share for every six shares issued and outstanding. The consolidation of Murgor's common shares was approved by Murgor's shareholders at an annual special meeting of shareholders held on October 25, 2007 and has received regulatory approval. Murgor's shares began trading on the consolidated basis on the TSX Venture Exchange on November 26, 2007 under the new stock symbol "MGR".

MURGOR RESOURCES INC.
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NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
JANUARY 31, 2008
(UNAUDITED)

7. Capital stock (Cont'd)

(a) The authorized and issued capital stock of the Corporation consists of the following:

Authorized: An unlimited number of common shares

	<u>Amount</u>	<u>Number of</u>
	\$	Shares
		#
Balance April 30, 2007 (audited)	23,222,752	112,002,586
Issuance of shares on acquisition of mining properties	43,750	253,488
Issuance of shares for exercise of stock options	120,000	922,857
Balance at November 26, 2007	<u>23,386,502</u>	<u>113,178,931</u>
Consolidated balance at November 26, 2007	23,386,502	18,863,010
Issuance of shares under flow-through agreements	3,140,000	3,754,283
Issuance of shares on acquisition of mining properties	90,000	79,787
Issued and fully paid	<u>26,616,502</u>	<u>22,697,080</u>
Tax benefits renounced on flow-through shares	(986,240)	-
Balance January 31, 2008 (unaudited)	<u><u>25,630,262</u></u>	<u><u>22,697,080</u></u>

(b) Stock option plan

	<u>Number of</u>	<u>Weighted</u>
	Options	Average
	#	Exercise
		Price
		\$
Balance April 30, 2007 (audited)	7,566,593	0.16
Granted	750,000	0.51
Exercised	(922,857)	0.13
Cancelled / Expired	(88,736)	0.14
Balance at November 26, 2007	<u>7,305,000</u>	<u>0.20</u>
Consolidated balance at November 26, 2007	1,217,483	1.21
Granted	45,000	0.60
Balance January 31, 2008 (unaudited)	<u><u>1,262,483</u></u>	<u><u>1.18</u></u>

MURGOR RESOURCES INC.
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7. Capital stock (cont'd)

Accounting for the stock-based compensation plan

The fair value of the 145,831 (875,000 pre-consolidation) options granted during the fiscal year ended April 30, 2005 amounted to \$55,706 after giving effect to the deduction of \$24,000 for the non-vested portion of the options which expired upon the resignation of the optionee in 2006. The fair value was estimated by using the Black-Scholes options pricing model with the following weighted-average assumptions and is being recorded as an expense over the eighteen month vesting period. For the three-month and nine-month periods ended January 31, 2008 a total of \$Nil was recorded as an administration expense \$Nil as an exploration expenditure.

Number of options granted	62,500	83,331
Weighted risk-free interest rate	2.45%	3.24%
Expected volatility	108.5%	116.0%
Dividend yield	Nil	Nil
Weighted average expected life	2 years	5 years

The fair value of the 266,665 (1,600,000 pre-consolidation) options granted during the fiscal year ended April 30, 2006 amounted to \$158,906 after giving effect to the deduction of \$1,992 for the non-vested portion of the options which expired upon the resignation of the optionee in 2007 and was estimated by using the Black-Scholes options pricing model with the following weighted average assumptions and is being recorded as an expense over the eighteen month vesting period. For the three-month period ended January 31, 2008 a total of \$Nil was recorded as an administration expense and \$Nil as an exploration expenditure. For the nine-month period ended January 31, 2008 a total of \$29,283 was recorded as an administration expense and \$13,638 as an exploration expenditure.

Number of options granted	25,000	50,000	16,665	125,000	50,000
Weighted risk-free interest rate	4.25%	4.00%	4.00%	4.00%	4.00%
Expected volatility	91%	113%	110%	110%	110%
Dividend yield	Nil	Nil	Nil	Nil	Nil
Weighted average expected life	3 years	5 years	5 years	5 years	5 years

The fair value of the 293,329 (1,760,000 pre-consolidation) options granted during the fiscal year ended April 30, 2007 amounted to \$309,129 and was estimated by using the Black-Scholes options pricing model with the following weighted average assumptions and is being recorded as an expense over the eighteen month vesting period. For the three-month ended January 31, 2008 a total of \$62,661 was recorded as an administration expense and \$33,940 as an exploration expenditure. For the nine-month periods ended January 31, 2008 a total of \$125,332 was recorded as an administration expense and \$67,880 as an exploration expenditure.

Number of options granted	10,000	16,666	16,666
Weighted risk-free interest rate	4.25%	3.75%	4.25%
Expected volatility	84%	100%	82%
Dividend yield	Nil	Nil	Nil
Weighted average expected life	3 years	5 years	2 years

Number of options granted	191,666	33,332	24,999
Weighted risk-free interest rate	3.75%	3.75%	3.75%
Expected volatility	90%	90%	90%
Dividend yield	Nil	Nil	Nil
Weighted average expected life	5 years	5 years	5 years

MURGOR RESOURCES INC.
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NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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7. Capital stock (cont'd)

Accounting for the stock-based compensation plan (cont'd)

The fair value of the 169,998 (1,020,000 pre-consolidation) options granted during the fiscal year ending April 30, 2008 amounted to \$80,279 and was estimated by using the Black-Scholes options pricing model with the following weighted average assumptions and is being recorded as an expense over the eighteen month vesting period. For the three-month ended January 31, 2008 a total of \$11,035 was recorded as an administration expense and \$3,834 as an exploration expenditure. For the nine-month period ended January 31, 2008 a total of \$22,070 was recorded as an administration expense and \$3,834 as an exploration expenditure.

Number of options granted	66,666	16,666	41,666
Weighted risk-free interest rate	4.17%	4.54%	4.22%
Expected volatility	76%	86%	116%
Dividend yield	Nil	Nil	Nil
Weighted average expected life	2 years	5 years	1 year
Number of options granted	45,000		
Weighted risk-free interest rate	3.96%		
Expected volatility	160%		
Dividend yield	Nil		
Weighted average expected life	1 year		

(c) Warrants

	Number of Warrants	Weighted Average Exercise Price
	#	\$
Balance April 30, 2007 (audited)	26,346,925	0.27
Granted	-	-
Exercised/Expired	-	-
Balance at November 26, 2007	<u>26,346,925</u>	<u>0.27</u>
Consolidated balance at November 26, 2007	4,391,156	1.60
Granted	331,428	1.05
Exercised/Expired	<u>(1,639,490)</u>	<u>1.17</u>
Balance January 31, 2008 (unaudited)	<u>3,083,094</u>	<u>1.77</u>

The fair value of the 331,428 warrants issued on December 31, 2007 for services was estimated to be \$154,228 and recorded as an issue cost using the Black-Scholes pricing model based on the following assumptions:

Weighted risk-free interest rate	3.84%
Expected volatility	273%
Dividend yield	Nil
Weighted average expected life	1 year

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7. Capital stock (cont'd)

(d) Contributed surplus

	Amount
	\$
Balance April 30, 2007 (audited)	800,535
Stock-based compensation	262,028
Fair value of warrants	154,228
Balance January 31, 2008 (unaudited)	1,216,791

8. Related party transactions

All related party transactions are in normal course of operations and are measured at the exchange value which is the amount of consideration established and agreed to by the related parties.

(i) Prepaid expenses include an amount of \$17,478 (\$4,287 - January 31, 2007) representing advances to directors and officers for office and exploration expenditures.

(ii) A director and an officer of the Corporation are also a director and an officer of a related corporation. The related corporation charged an aggregate amount of \$29,731 (\$36,085 - January 31, 2007) for administrative costs and services, shared office expenses and exploration expenditures.

(iii) Due to related corporation represents the net amount of charges for shared office and related expenses, as well as joint venture exploration expenditures between Murgor Resources Inc. and Freewest Resources Canada Inc.

One director and one officer are shareholders of the Corporation and are also a director and an officer of Freewest Resources Canada Inc..

(iv) Amounts due to related parties are non-interest bearing with no specific terms of repayment.

(v) Remuneration in the amount of \$16,667 (\$Nil - January 31, 2007) was paid to an officer in his capacity as Secretary-Treasurer and CFO.