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**IRONCREEK**

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CAPITAL CORP.

**FINANCIAL REVIEW**

**Third Quarter Ended October 31, 2008**

**IRON CREEK CAPITAL CORP.**

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

**Nine Months Ended October 31, 2008**

UNAUDITED FINANCIAL STATEMENTS: In accordance with National Instrument 51-102 of the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited consolidated financial statements for the nine months ended October 31, 2008.



**IRON CREEK CAPITAL CORP.**  
**INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
(Expressed in Canadian Dollars)  
(Unaudited – Prepared By Management)

	<b>Three Months Ended October 31,</b>		<b>Nine Months Ended October 31,</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
	\$			
<b>EXPLORATION EXPENDITURES</b> (Note 7)	494,328	\$ -	\$ 1,049,000	\$ -
<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>				
Amortization	1,465	-	1,465	-
Bank charges and interest	919	-	1,866	-
Consulting fees	19,750	-	31,926	-
Investor relations and shareholder information	5,819	768	12,494	1,013
Management fees	19,794	-	44,050	-
Office and administration	8,082	4,717	22,869	11,368
Professional fees	2,585	3,142	10,991	4,788
Salaries and benefits	24,181	-	55,467	-
Stock-based compensation (Note 8(c))	1,512	-	163,088	26,000
Regulatory and compliance fees	1,086	684	17,586	10,227
Travel	4,045	-	13,655	-
	89,238	9,311	375,457	53,396
<b>Loss before other items</b>	(583,566)	(9,311)	(1,424,457)	(53,396)
<b>OTHER ITEMS</b>				
Interest income	1,823	3,453	12,277	6,515
Qualifying transaction costs	-	(21,650)	-	(21,650)
Foreign exchange gain	110,326	-	107,563	-
	112,149	(18,197)	119,840	(15,135)
<b>Loss and comprehensive loss for the period</b>	\$ (471,417)	\$ (27,508)	\$(1,304,617)	\$ (68,531)
<b>Basic and diluted loss per share</b>	\$(0.04)	\$(0.02)	\$(0.15)	\$(0.13)
<b>Weighted average number of common shares outstanding</b>	11,345,000	1,200,000	8,742,994	545,055

*See accompanying notes to the consolidated financial statements*

**IRON CREEK CAPITAL CORP.**  
**INTERIM CONSOLIDATED STATEMENTS OF DEFICIT**  
(Expressed in Canadian Dollars)  
(Unaudited – Prepared By Management)

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	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>October 31,</b>		<b>October 31,</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
			\$	
<b>Deficit, beginning of period</b>	\$ (959,342)	\$ (46,838)	(126,142)	\$ (5,815)
Loss and comprehensive loss for the period	(471,417)	(27,508)	(1,304,617)	(68,531)
<b>Deficit, end of period</b>	<b>\$ (1,430,759)</b>	<b>\$ (74,346)</b>	<b>\$(1,430,759)</b>	<b>\$ (74,346)</b>

*See accompanying notes to the consolidated financial statements*

**IRON CREEK CAPITAL CORP.**  
**INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Expressed in Canadian Dollars)  
(Unaudited – Prepared By Management)

	Three Months Ended October 31,		Nine Months Ended October 31,	
	2008	2007	2008	2007
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Loss for the period	\$ (471,417)	\$ (27,508)	\$(1,304,617)	\$ (68,531)
Items not affecting cash:				
Amortization	1,465	-	1,465	-
Stock-based compensation	1,512	-	163,088	26,000
Changes in non-cash working capital items				
Receivables	(149,335)	(177)	(151,065)	(177)
Prepaid expenses and deposits	(10,475)	-	(27,404)	-
Accounts payable and accrued liabilities	(211,874)	7,872	(49,688)	7,712
Due to related parties	(21,582)	-	17,380	-
	(861,706)	(19,813)	(1,350,841)	(34,996)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property and equipment	(29,310)	-	(29,310)	-
Mineral property acquisition costs	(128,969)	-	(909,116)	-
Mineral property option payments received	779,550	-	779,550	-
	621,271	-	(158,876)	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Share subscription	1,000,000	-	1,000,000	-
Issuance of shares for cash, net	(5,750)	(11,388)	1,683,654	217,525
	994,250	(11,388)	2,683,654	217,525
<b>Increase (decrease) in cash</b>	<b>753,815</b>	<b>(31,201)</b>	<b>1,173,937</b>	<b>182,529</b>
<b>Cash, beginning of period</b>	<b>728,105</b>	<b>353,765</b>	<b>307,983</b>	<b>140,035</b>
<b>Cash, end of period</b>	<b>\$ 1,481,920</b>	<b>\$ 322,564</b>	<b>\$ 1,481,920</b>	<b>\$ 322,564</b>

Supplemental disclosure with respect to cash flows (Note 11)

*See accompanying notes to the consolidated financial statements*

**IRON CREEK CAPITAL CORP.**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the Nine Months Ended October 31, 2008

(Expressed in Canadian Dollars)

(Unaudited – Prepared By Management)

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**1. NATURE AND CONTINUANCE OF OPERATIONS**

The Company was incorporated under the *Business Corporations Act* (Alberta) on September 14, 2006 and continued into British Columbia on June 25, 2008. The Company's principal business activities are directed towards the acquisition and exploration of mineral projects in Chile.

The Company is currently exploring its mineral properties and has not yet determined whether its mineral properties contain reserves that are economically recoverable. The recoverability of amounts capitalized for mineral properties is dependent upon the discovery of sufficient economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral properties, the ability of the Company to arrange appropriate financing to complete the development of the mineral properties and upon future profitable production or proceeds from the sale of the mineral properties.

**2. BASIS OF PRESENTATION**

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. They include the accounts of the Company and its wholly-owned British Virgin Island subsidiaries, Iron Creek Holdings (BVI) Ltd. and Iron Creek Chile (BVI) Ltd., as well as its wholly owned Chile subsidiary, Compania Minera Mena Resources (Chile) Limitada. All significant intercompany transactions and balances have been eliminated. The Company charges exploration expenditures net of recoveries to operations as incurred.

Operating results for the nine months ended October 31, 2008 are not necessarily indicative of the results that may be expected for the year ending January 31, 2009. These interim consolidated financial statements follow the same accounting policies as the annual financial statements of the Company, except as noted below. Accordingly, these interim consolidated financial statements should be read in conjunction with the audited annual consolidated financial statements, and notes thereto, for the year ended January 31, 2008.

**3. CHANGE IN ACCOUNTING POLICIES**

**Financial Instruments**

Effective February 1, 2008, the Company implemented the new CICA accounting sections: 3862 (Financial Instruments – Disclosure), 3863 (Financial Instruments – Presentation), which will replace section 3861 Financial Instruments – Disclosures and Presentation.

These new standards revise and enhance the disclosure requirements, and carry forward, substantially unchanged, the presentation requirements. Sections 3862 and 3863 emphasize the significance of financial instruments for the entity's financial position and performance, the nature and extent of the risks arising from financial instruments, and how these risks are managed. These new standards are applicable to interim and annual periods relating to fiscal years beginning on or after October 1, 2007. These new Sections relate to disclosure and presentation only and no impact on the Company's financial results is expected for the current fiscal year.

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**3. CHANGE IN ACCOUNTING POLICIES** (*cont'd...*)

**Financial Instruments** (*cont'd...*)

As at October 31, 2008, the Company's financial instruments are comprised of cash, receivables, amounts due to related parties and accounts payable and accrued liabilities. The fair value of cash, receivables, amounts due to related parties and accounts payable and accrued liabilities approximate their carrying value due to their short-term maturity. The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk and interest rate risk.

*Currency Risk*

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and Chile. A portion of the Company's expenses are incurred in Chilean pesos and US dollars. A significant change in the currency exchange rates between the Canadian dollar relative to the Chilean peso or US dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

*Credit Risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash and cash equivalents. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. The Company does not have cash that is invested in asset based commercial paper.

*Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. The Company believes that these sources will be sufficient to cover the likely short and long-term requirements.

*Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company's cash is currently held in short-term interest bearing accounts, management considers the interest rate risk to be limited.

**Capital Management**

Effective February 1, 2008, the Company implemented the new CICA accounting section 1535 (Capital Disclosures). Section 1535 specifies the disclosure of (i) an entity's objectives, policies, and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. This new Section relates to disclosure and no impact on the Company's financial results is expected for the current fiscal year.

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**3. CHANGE IN ACCOUNTING POLICIES (cont'd...)**

**Capital Management (cont'd...)**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to advance its mineral properties. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary. The Company manages its capital structure and makes adjustments to it to effectively support the acquisition and exploration of mineral properties. The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the nine months ended October 31, 2008. The Company's investment policy is to hold cash in interest bearing bank accounts, which pay comparable interest rates to highly liquid short-term interest bearing investments with maturities of one year or less and which can be liquidated at any time without penalties. Neither the Company nor its subsidiaries are subject to externally imposed capital requirements and do not have exposure to asset-backed commercial paper or similar products. During the period, the Company increased its capital resources in order to carry out its exploration programs and operating costs for the next twelve months.

**Going Concern**

The Accounting Standards Board amended CICA Handbook Section 1400, to include requirements for management to assess and disclose an entity's ability to continue as a going concern. When management is aware of material uncertainties related to events or conditions that may cast doubt on an entity's ability to continue as a going concern, those uncertainties must be disclosed. In assessing the appropriateness of the going concern assumption, the standard requires management to consider all available information about the future, which is at least, but not limited to, twelve months from the balance sheet date. This section applies to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008. The adoption of this new standard did not have a material impact on the consolidated financial statements for the periods presented.

**4. ACQUISITION OF COMPANIA MINERA MENA RESOURCES (CHILE) LIMITADA**

On April 4, 2008, the Company completed the purchase of Compania Minera Mena Resources (Chile) Limitada ("Mena Chile") from Rusoro Mining Ltd. ("Rusoro"). Mena Chile has several mineral properties located in Chile, including the Vaquillas property. The Company paid through the issuance of 2,000,000 shares at a value of \$0.265 per share and cash consideration of \$330,233 for a total purchase price of \$860,233 plus direct acquisition costs of \$103,122. The Company has granted to Rusoro a net smelter returns royalty based on Mena Chile's interest in the properties at a rate of 1% for Vaquillas and 2% for all the other properties held by Mena Chile. The ongoing activities of Mena Chile have been consolidated in the accounts of the Company from the date of acquisition. The allocation of the purchase price is summarized in the following table:

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**4. ACQUISITION OF COMPANIA MINERA MENA RESOURCES (CHILE) LIMITADA (cont'd...)**

The cost of the acquisition of Mena Chile was comprised as follows:

Issuance of 2,000,000 common shares	\$ 530,000
Cash	330,233
Direct acquisition costs	103,122
	<b>\$ 963,355</b>

The cost of Mena Chile was allocated to the estimated fair values of the assets acquired and liabilities assumed as at April 4, 2008 as follows:

Cash	\$ 9,385
Advances, receivables and prepaids	8,123
Mineral properties	1,112,312
Accounts payable and accrued liabilities	(166,465)
	<b>\$ 963,355</b>

**5. PROPERTY AND EQUIPMENT**

	October 31, 2008		
	Cost	Accumulated Amortization	Net Book Value
Field equipment	\$ 29,310	\$ 1,465	\$ 27,845

**6. MINERAL PROPERTIES**

The Company has capitalized the following acquisition costs and option payments received on its mineral properties as at October 31, 2008:

	Chile			
	Vaquillas Property	Pampa Buenos Aires Property	Pampa Sur Property	Total
<b>Balance, January 31, 2008</b>	\$ -	\$ -	\$ -	\$ -
Acquisition costs resulting from purchase of Mena Chile	719,566	337,115	55,631	1,112,312
Additional acquisition costs	110,120	452,934	-	563,054
Option payments received	(779,550)	-	-	(779,550)
<b>Balance, October 31, 2008</b>	<b>\$ 50,136</b>	<b>\$ 790,049</b>	<b>\$ 55,631</b>	<b>\$ 895,816</b>

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**6. MINERAL PROPERTIES** (*cont'd...*)

*Vaquillas*

The Vaquillas Property consists of 186 concessions, of which 132 are 100% owned and 54 are optioned by the Company from third parties. The following outlines the terms of the option agreements:

- i) Pursuant to an agreement with Mr. Roberto Masso dated March 5, 2004 and revised subsequent to the period end, the Company has the option to acquire a 100% interest in 44 Exploration Concessions, by paying US\$500,000 by March 5, 2009, US\$500,000 by March 5, 2010, and US\$3,000,000 by March 5, 2011;
- ii) Pursuant to an agreement with Compañía Minera Minquest Limitada (“Minquest”) dated January 19, 2005, the Company has the option to acquire a 100% interest in eight concessions by paying US\$200,000 by January 19, 2009 and US\$300,000 by January 19, 2010. Minquest also has a 0.5% NSR, which can be purchased for US\$1,000,000; and
- iii) Pursuant to an agreement with Procesadora de Minerales Prom Limitada dated September 2, 2005 and subsequently revised in the current year, the Company has the option to acquire a 100% interest in two concessions by paying US\$100,000 by September 2, 2008 (paid) and US\$200,000 by September 2, 2009.

The Company has signed a binding letter of intent with Hochschild Mining Holdings Limited (“Hochschild”) whereby Hochschild has an option to acquire a 60% interest in a precious metals area located within the Company’s Vaquillas Project in Chile. In accordance with the terms of the letter of intent, Hochschild has made a cash payment of US\$750,000 to Iron Creek, and has subscribed for by way of private placement 2.0 million common shares of Iron Creek at \$0.50 per share, for total proceeds of \$1.0 million (received). The private placement is subject to regulatory approval.

In order to earn its 60% interest in the property, Hochschild must incur a total of US\$6.0 million in exploration expenditures on the Project by December 31, 2013. Of the \$6.0 million, Hochschild has a firm commitment to incur \$750,000 on the property by December 31, 2009.

*Pampa Buenos Aires*

On July 28, 2008, the Company exercised its option to acquire a 50% interest in the Pampa Buenos Aires Project, which consisted of two concessions located in the Antofagasta region of Northern Chile, from Andina Minerals Chile Limitada (“Andina”) by issuing to Andina 525,000 shares of the Company and paying to Andina US\$197,835 cash. The fair value of the 525,000 shares issued was deemed to be \$0.45 per share for a total of \$236,250. The \$236,250 amount and the US\$197,835 to be paid in cash have been recorded as acquisition costs. The companies have formed a 50:50 owned joint venture company (“JVCO”) to further explore the Project.

Subsequent to the JVCO being formed, two additional concessions have been acquired by JVCO at a cost of US\$25,000 (paid).

*Pampa Sur*

The Company owns 100% of the Pampa Sur Project which consists of two exploration concessions covering 6,200 hectares, of which an approximately 2 kilometre portion has been contributed by the Company to the JVCO owned by the Company and Andina.

**IRON CREEK CAPITAL CORP.**  
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**7. EXPLORATION EXPENDITURES**

During the nine months ended October 31, 2008, the Company incurred the following exploration expenditures which were expensed as incurred:

	Chile				Total
	Vaquillas Property	Pampa Buenos Aires Property	Pampa Sur Property	Regional Exploration	
<b>Balance, January 31, 2008</b>	\$ -	\$ -	\$ -	\$ -	\$ -
Assays	50,183	49,456	12,422	-	112,061
Drilling	-	300,647	-	-	300,647
Geological fees	29,175	63,705	32,269	142,771	267,920
Legal and accounting	-	-	-	55,490	55,490
Office and administration	-	17	-	53,981	53,998
Property maintenance	198,296	18,533	14,734	10,941	242,504
Travel	-	6,785	2,177	7,418	16,380
<b>Balance, October 31, 2008</b>	<b>\$ 277,654</b>	<b>\$ 439,143</b>	<b>\$ 61,602</b>	<b>\$ 270,601</b>	<b>\$ 1,049,000</b>

**IRON CREEK CAPITAL CORP.**  
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**8. SHARE CAPITAL**

- (a) Authorized:  
Unlimited common shares, without par value
- (b) Issued and outstanding:

	Number of Shares	Amount	Contributed Surplus
		\$	
<b>Balance, January 31, 2008</b>	2,320,000	341,525	\$ 42,000
Shares issued for Mena Chile acquisition	2,000,000	530,000	-
Shares issued for property acquisition	525,000	236,250	-
Shares issued for private placement	6,500,000	1,236,326	486,174
Share issuance costs	-	(38,846)	-
Stock-based compensation	-	-	163,088
<b>Balance, October 31, 2008</b>	<b>11,345,000</b>	<b>\$ 2,305,255</b>	<b>\$ 691,262</b>

On April 4, 2008, the Company closed a private placement for 6,500,000 units at \$0.265 per unit for gross proceeds of \$1,722,500. Each unit consisted of one common share and one transferable common share purchase warrant (a "Warrant"). Each Warrant entitles the holder thereof to purchase one common share at a price of \$0.50 per share until April 4, 2010. Share issuance costs were \$31,790 in cash. The proceeds of the private placement have been bifurcated on the relative fair value method resulting in \$1,236,326 recorded as share capital and \$486,174 representing the fair value of the warrants recorded as contributed surplus. The fair value of each warrant issued in the private placement has been estimated as of the date of the issuance using the Black-Scholes pricing model with the following assumptions: risk-free interest rate of 2.9%, dividend yield of 0%, volatility of 82% and expected life of two years.

During the year ended January 31, 2007, the Company issued 1,120,000 common shares which are held in escrow and released pro-rata to the shareholders as to 10% of the escrow shares upon issuance in April 2008 of notice of final acceptance of a Qualifying Transaction by the TSX-V and as to the remainder in six equal tranches of 15% every six months thereafter for a period of 36 months. As at October 31, 2008, there remain 840,000 common shares in escrow. These escrow shares may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities.

**IRON CREEK CAPITAL CORP.**  
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For the Nine Months Ended October 31, 2008

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**8. SHARE CAPITAL** (cont'd...)

(c) Stock options

The Company has a stock option plan that was ratified and approved by the shareholders of the Company in fiscal 2007 (the “Plan”) and has been accepted by the TSX-V. The Plan allows the Board of Directors to grant incentive stock options to its officers, directors, employees and consultants. The exercise price of stock options granted is determined by the Board of Directors at the time of the grant.

A summary of stock option activity for the nine month period ended October 31, 2008 is as follows:

	Number of Shares	Weighted Average Exercise Price
<b>Outstanding at January 31, 2008</b>	150,000	\$0.25
Granted	870,000	0.38
<b>Outstanding at October 31, 2008</b>	<b>1,020,000</b>	<b>\$0.36</b>
<b>Exercisable at October 31, 2008</b>	<b>975,000</b>	<b>\$0.35</b>

Details of stock options outstanding as of October 31, 2008 are:

Date Granted	Number of Shares	Exercise Price	Expiry Date
June 29, 2007	50,000	\$0.25	January 31, 2009
June 29, 2007	50,000	\$0.25	April 16, 2009
June 29, 2007	50,000	\$0.25	June 29, 2012
April 4, 2008	625,000	\$0.35	April 4, 2013
June 18, 2008	195,000	\$0.44	June 17, 2013
July 4, 2008	50,000	\$0.46	July 3, 2013
	<b>1,020,000</b>		

In July 2008, the Company granted 50,000 options to Directors, officers, employees and consultants of the Company at an exercise price of \$0.46 per share, vested immediately and expiring on July 3, 2013. The Company recognized the associated stock-based compensation expense of \$15,362 for the quarter ended July 31, 2008 in connection with the granting of options with the offsetting amount credited to contributed surplus.

In June 2008, the Company granted 195,000 options to Directors, officers, employees and consultants of the Company at an exercise price of \$0.44 per share, with vesting periods ranging from immediately to one year and expiring on June 17, 2013. The Company recognized the associated stock-based compensation expense of \$45,348 for the period ended October 31, 2008 in connection with the granting of options with the offsetting amount credited to contributed surplus and will record the remaining stock-based compensation expense of \$13,603 in subsequent periods as the stock options become vested.

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**8. SHARE CAPITAL (cont'd...)**

(c) Stock options (cont'd...)

In April 2008, the Company granted 625,000 options to Directors, officers, employees and consultants of the Company at an exercise price of \$0.35 per share, vested immediately and expiring on April 4, 2013. The Company recognized the associated stock-based compensation expense of \$102,378 for the quarter ended April 30, 2008 in connection with the granting of options with the offsetting amount credited to contributed surplus.

The fair value of the stock options was estimated using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 3.1%, dividend yield of 0%, expected life of 5 years and a volatility factor of 82%.

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options.

(d) Share purchase warrants

A summary of share purchase warrants activity for the nine month period ended October 31, 2008 is as follows:

	<b>Number of Warrants</b>	<b>Weighted Average Exercise Price</b>
<b>Balance, January 31, 2008</b>	100,000	\$0.25
Issued	6,500,000	0.50
<b>Balance, October 31, 2008</b>	<b>6,600,000</b>	<b>\$0.50</b>

As at October 31, 2008, the following warrants were outstanding:

<b>Expiry Date</b>	<b>Number of Warrants</b>	<b>Exercise Price</b>
July 10, 2009	100,000	\$0.25
April 4, 2010	6,500,000	\$0.50
	<b>6,600,000</b>	

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**9. RELATED PARTY TRANSACTIONS**

Balances and transactions with related parties not disclosed elsewhere in these financial statements are as follows:

- a) Commencing March 1, 2007, the Company agreed to pay to Quest Management Corp. (“Quest”) a monthly fee of \$1,000 for accounting and various office services, and reimbursed Quest for out-of-pocket direct costs incurred on behalf of the Company such as travel, printing and general office charges. Upon listing of the Company’s shares on the TSXV in July 2007, this fee was increased to \$1,500 per month. Prior to December 31, 2007, Quest was a wholly-owned subsidiary of Quest Capital Corp., which was related by virtue of being a significant shareholder of the Company until it disposed of its shares in the Company prior to December 31, 2007. On April 30, 2008, the Company terminated the management contract with Quest.
- b) During the nine month period ended October 31, 2008, the Company paid, or made provision for the future payment of the following amounts to related parties:
  - i) \$18,873 (2007 - \$24,495) in office and administration and qualifying transaction investigation costs to Quest;
  - ii) \$56,744 (2007 - \$nil) in management fees and other costs to a company controlled by the President of the Company;
  - iii) \$13,458 (2007 - \$nil) in consulting fees to a Director of the Company; and
  - iv) \$73,719 (2007 - \$nil) in office, administration and personnel costs to a company with common officers. This company now provides accounting and various office services, and is reimbursed by the Company for out-of-pocket direct costs incurred on behalf of the Company such as travel, printing and general office charges.
- c) Amounts due to related parties totalling \$19,019 as of October 31, 2008 consists of \$8,104 (January 31, 2008 - \$nil) due to a company with common officers; \$10,497 (January 31, 2008 - \$nil) due to a company controlled by the President of the Company; and \$418 (January 31, 2008 - \$nil) due to a Director of the Company. The amount due to Quest as of October 31, 2008 was \$nil (January 31, 2008 - \$1,639).

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

**10. SEGMENTED INFORMATION**

The Company operates in a single reportable operating segment, being exploration and development of mineral properties. Except mineral property interests and exploration expenditures, substantially all of the Company’s assets and expenditures are located and incurred in Canada. The mineral property interests are located in Chile (see Note 6) and substantially all of the exploration expenditures are incurred in Chile (see Note 7).

**IRON CREEK CAPITAL CORP.**  
**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
For the Nine Months Ended October 31, 2008  
(Expressed in Canadian Dollars)  
(Unaudited – Prepared By Management)

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**11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS**

In July 2008, the Company paid 525,000 shares at \$0.45 per share for a value of \$236,250 as part of the Pampa Buenos Aires property acquisition (Note 6).

In April 2008, the Company paid 2,000,000 shares at \$0.265 per share for a value of \$530,000 as part of the Mena Chile acquisition. See Note 4 for complete terms of the Mena Chile acquisition.

**12. COMPARATIVE FIGURES**

Certain of the prior period comparative figures have been reclassified to conform to the presentation adopted for the current period.



## **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED OCTOBER 31, 2008**

### **General**

This discussion and analysis of financial position and results of operation is prepared as at December 17, 2008 and should be read in conjunction with the unaudited interim consolidated financial statements and the related notes for the nine months ended October 31, 2008. Those interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial statements, and as a result do not contain all disclosure required for generally accepted accounting principles for annual statements. Accordingly, readers may want to refer to the January 31, 2008 audited annual consolidated financial statements and accompanying notes. All dollar amounts included therein and in the following management's discussion and analysis ("MD&A") are expressed in Canadian dollars except where noted. Additional information relevant to the Company's activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Forward Looking Statements**

Certain statements contained in the following MD&A constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

### **Description of Business**

Iron Creek Capital Corp. (the "Company" or "Iron Creek") is a Vancouver-based mineral exploration company engaged in the acquisition and exploration of precious and base metals projects in Chile. Iron Creek is a reporting issuer in British Columbia and Alberta, and trades on the TSX Venture Exchange as a Tier 2 issuer under the symbol IRN. The Company was incorporated in September 2006 and its common shares were listed and traded as a capital pool company ("CPC") on the TSX Venture Exchange ("TSXV") on July 10, 2007. On April 4, 2008, the Company completed its Qualifying Transaction through the acquisition of Compania Minera Mena Resources (Chile) Limitada (the "Acquisition").

### **Acquisition of Compania Minera Mena Resources (Chile) Limitada**

On April 4, 2008, the Company completed the Acquisition, and therefore a Qualifying Transaction, by acquiring Compania Minera Mena Resources (Chile) Limitada ("Mena Chile") from Rusoro Mining Ltd. Mena Chile's principal property is the Vaquillas Property, located in Region II of northern Chile southeast of the port city of Antofagasta. The Mena Chile portfolio also includes the Pampa Buenos Aires, Pampa Sur, Gavi and Suerte properties. The cost of the acquisition totaled \$963,355, of which \$530,000 was paid through the issuance of 2 million common shares, \$330,233 was paid in cash and \$103,122 paid in direct acquisition costs.

Concurrent with the closing of the Acquisition, the Company also completed a private placement of 6,500,000 units at \$0.265 per unit for gross proceeds of \$1,722,500. Each unit consists of one common share and one transferable share purchase warrant, with each warrant entitling the holder to purchase an additional common share at \$0.50 per share for a period of two years from the closing of the private placement. Share issuance costs associated with this private placement totalled \$33,096.

## **Exploration Review**

The following is a review of the exploration work conducted by the Company during the nine month period ended October 31, 2008. During this period, the Company completed work on the Vaquillas and Pampa Buenos Aires projects.

### *Vaquillas Project*

The Vaquillas Project is prospective for porphyry copper and precious metals deposits particularly given its proximity to the Domeyko Fault Zone (West Fault Fissure).

In September 2008, the Company signed a binding letter of intent with Hochschild Mining Holdings Limited (“Hochschild”) whereby Hochschild has an option to acquire a 60% interest in a precious metals area located within the Company’s Vaquillas Project. In accordance with the terms of the letter of intent, Hochschild has made a cash payment of US\$750,000 to Iron Creek, and has subscribed for 2.0 million common shares of Iron Creek at \$0.50 per share, for total proceeds of \$1.0 million. In order to earn its 60% interest in the property, Hochschild must incur a total of US\$6.0 million in exploration expenditures on the project by December 31, 2013. Of the US\$6.0 million, Hochschild has made a firm commitment to incur \$750,000 on the property by December 31, 2009.

The Company retained a portion of the licenses, exclusive of the Hochschild area of interest. For the period ended October 31, 2008, the Company initiated a detailed IP survey over a previously identified gradient array chargeability anomalies in the Vaquillas mine area as well as three reconnaissance IP lines in the Incahuasi, Cenizas and Nueve Vidas areas. Subsequent to the quarter, the IP survey was completed and the results will be forthcoming.

### *Pampa Buenos Aires Project*

The Company and Andina Minerals Chile Limitada (“Andina”) have formed a joint venture (50:50) to explore the Pampa Buenos Aires Project, which encompasses 27,000 hectares of prospective ground located 15 km southwest of Yamana’s El Penon and Fortuna silver/gold mines.

For the period ended October 31, 2008, the Company completed a reverse circulation drilling program totalling approximately 8,000 meters. Drilling targeted low-sulfidation state precious metal prospects as well as one high sulfidation target. These drilling targets were based on geophysical and geochemical anomalies associated with a regional structure (Dominador Fault) and several smaller crosscutting structures. While the drilling did not encounter ore grade mineralization, anomalous gold and silver was encountered in several of the drill holes. The combination of the drilling results and a better understanding of the structural controls will help guide future exploration programs. The Company and Andina are currently reviewing all the results to plan the next phase of work.

A refined, structural re-interpretation of the Domeyko Fault Zone has defined additional targets with favorable structural loci for mineralization on the existing ground. These areas will be investigated during future exploration programs.

### *Pampa Sur Project*

The 100% owned Pampa Sur property is located immediately to the south of the Pampa Buenos Aires area and has potential for epithermal gold and silver mineralization. There was no work performed during the quarter. The surface exploration work performed during the period ended July 31, 2008 had identified eight structural/dome related targets.

*Qualified Person: Mr. Gregory Smith, P.Geo., is the Company's Qualified Person as defined by National Instrument 43-101 and is responsible for the accuracy of the technical information in this MD&A.*

### **Results of Operations**

For the three month period ended October 31, 2008, the Company recorded a loss of \$471,417 compared to a loss of \$27,508 in the prior year's comparative quarter. During the current quarter there was \$494,328 in exploration expenditures incurred in Chile whereas exploration had not yet begun in the prior year. General and administrative expenses in the current period totalled \$89,238 compared to \$9,311 in the comparative quarter. Management fees, consulting fees, salaries, investor relations and travel are all costs that are either new or significantly higher than the comparative quarter because of the Company becoming an active exploration company. An item that reduced the level of loss for the current period was a foreign exchange gain of \$110,326 compared to no foreign exchange gain or loss in the comparative quarter. This was a result of the U.S. dollar strengthening against the Canadian dollar quite dramatically in response to the current global economic and financial market crisis.

For the nine month period ended October 31, 2008, the Company recorded a loss of \$1,304,617 compared to a loss of \$68,531 in the prior year's period, an increase of \$1,236,086. The reasons given above for the three month comparison apply to this increase in loss as well. Exploration expenditures totalled \$1,049,000 compared to nil in the prior year period and general and administrative expenses were \$375,457, an increase of \$322,061. The non-cash expense of stock-based compensation had the most significant impact on general and administrative expenses for the current nine month period with an amount charged to operations of \$163,088 compared to \$26,000 in the comparative period. As was the case in the quarterly comparison, the Company did not become an active exploration company until after the comparative period ended and as such, general and administrative expenses were more varied and significantly higher in the current period. Also similar to the quarterly comparison was the foreign exchange gain of \$107,563 in the current period compared to nil in the comparative period.

### **Financial Condition, Liquidity and Capital Resources**

The Company's working capital position at October 31, 2008 was \$1,642,097 compared with \$257,383 at January 31, 2008. The increase in working capital from January 31, 2008 is due to the completion of the private placement in April, 2008 of 6.5 million units at \$0.265 per unit for gross proceeds of \$1,722,500, an option payment of \$779,550 received from Hochschild, and \$1,000,000 received for share subscriptions. The share subscriptions involve a private placement of 2 million shares at a price of \$0.50 per share which is awaiting regulatory approval. The acquisition of Mena Chile totaling \$963,355 was paid through the issuance of 2 million common shares and \$330,233 in cash plus direct acquisition costs of \$103,122.

The Company currently has sufficient working capital to fund its proposed exploration programs through the current fiscal year. Iron Creek is dependent on raising funds through the issuance of shares and attracting joint venture partners in order to finance further property acquisitions and to explore and develop its mineral properties. Actual funding requirements may vary from those planned due to a number of factors, including the progress of the Company's business activities and the global economic and financial market crisis. Management believes it will be able to raise equity capital as required in the long term, but recognizes the uncertainty attached thereto.

## Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

## Commitments and Contractual Obligations

The Company has work commitments and contractual obligations as part of its exploration program in Chile. The work commitments and contractual obligations outlined below are those required to keep mineral concessions and any contractual arrangements with third parties in good standing. However, the payments and expenditures are not obligatory but rather contingent on successful exploration results being obtained and at management's discretion.

- 1) The Vaquillas Property consists of 186 concessions, of which 132 are 100% owned and 54 are optioned by the Company from third parties. The annual holding costs for 132 concessions were paid in May 2008. The following outlines the terms of the option agreements:
  - i) Pursuant to an agreement with Mr. Roberto Masso dated March 5, 2004 and revised in September 2008, the Company has the option to acquire a 100% interest in 44 concessions, by paying US\$500,000 by March 5, 2009, US\$500,000 by March 5, 2010, and US\$3,000,000 by March 5, 2011.
  - ii) Pursuant to an agreement with Compañía Minera Minquest Limitada ("Minquest") dated January 19, 2005, the Company has the option to acquire a 100% interest in eight concessions by paying US\$200,000 by January 19, 2009 and US\$300,000 by January 19, 2010. Minquest also has a 0.5% NSR, which can be purchased for US\$1,000,000.
  - iii) Pursuant to an agreement with Procesadora de Minerale Prom Limitada dated September 2, 2005, the Company has the option to acquire a 100% interest in two concessions by paying US\$100,000 by September 2, 2008 (paid) and US\$200,000 by September 2, 2009.
- 2) On July 28, 2008, the Company exercised its option to acquire a 50% interest in the Pampa Buenos Aires Project from Andina by issuing to Andina 525,000 shares of the Company and paying to Andina \$197,835 cash (not yet paid). The companies have formed a 50:50 owned joint venture company to further explore the Project.

## Selected Quarterly Information

The following table provides information for the eight fiscal quarters ended October 31, 2008:

Quarter Ended	Oct 31, 2008	July 31, 2008	Apr. 30 2008	Jan. 31 2008	Oct 31, 2007	July 31, 2007	Apr. 30 2007	Jan 31, 2007
	\$	\$	\$	\$	\$	\$	\$	\$
Exploration expenditures (net)	494,328	503,253	51,419	-	-	-	-	-
Net loss	(471,417)	(655,744)	(177,456)	(51,796)	(27,508)	(36,064)	(4,959)	(4,815)
Basic and fully diluted loss per share	(0.04)	(0.06)	(0.05)	(0.04)	(0.02)	(0.09)	(0.00)	(0.00)

### Notes:

- (1) Exploration expenditures were incurred starting in April, 2008; no significant exploration was completed prior to that time.
- (2) Basic loss per share is calculated by dividing the net loss available to common shareholders by the weighted average number of shares outstanding during the period. Diluted earning per share reflects the potential dilution of securities that could share in earnings of an entity. In a loss

period, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive. Basic and diluted losses per share are the same for the periods presented.

### **Related Party Transactions**

Commencing March 1, 2007, the Company agreed to pay to Quest Management Corp. ("Quest") a monthly fee of \$1,000 for accounting and various office services, and reimbursed Quest for out-of-pocket direct costs incurred on behalf of the Company such as travel, printing and general office charges. Upon listing of the Company's shares on the TSXV in July 2007, this fee was increased to \$1,500 per month. Prior to December 31, 2007, Quest was a wholly-owned subsidiary of Quest Capital Corp., which was related by virtue of being a significant shareholder of the Company until it disposed of its shares in the Company prior to December 31, 2007. On April 30, 2008, the Company terminated the management contract with Quest.

During the nine month period ended October 31, 2008, the Company paid, or made provision for the future payment of the following amounts to related parties:

- i) \$18,873 (2007 - \$24,495) in office and administration and qualifying transaction investigation costs to Quest;
- ii) \$56,744 (2007 - \$nil) in management fees and other costs to a company controlled by the President of the Company;
- iii) \$13,458 (2007 - \$nil) in consulting fees to a Director of the Company; and
- iv) \$73,719 (2007 - \$nil) in office, administration and personnel costs to a company with common officers. This company provides accounting and various office services, and is reimbursed by the Company for out-of-pocket direct costs incurred on behalf of the Company such as travel, printing and general office charges.

Amounts due to related parties totalling \$19,019 as of October 31, 2008 consists of \$8,104 (January 31, 2008 - \$nil) due to a company with common officers; \$10,497 (January 31, 2008 - \$nil) due to a company controlled by the President of the Company; and \$418 (January 31, 2008 - \$nil) due to a Director of the Company. The amount due to Quest as of October 31, 2008 was \$nil (January 31, 2008 - \$1,639).

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

### **Changes in Accounting Policies**

#### 1) Financial instruments

Effective February 1, 2008, the Company implemented the new CICA accounting sections: 3862 (Financial Instruments – Disclosure), 3863 (Financial Instruments – Presentation), which will replace section 3861 Financial Instruments – Disclosures and Presentation.

These new standards revise and enhance the disclosure requirements, and carry forward, substantially unchanged, the presentation requirements. Sections 3862 and 3863 emphasize the significance of financial instruments for the entity's financial position and performance, the nature and extent of the risks arising from financial instruments, and how these risks are managed. These new standards are applicable to interim and annual periods relating to fiscal years beginning on or after October 1, 2007. These new Sections relate to disclosure and presentation only and no impact on the Company's financial results is expected for the current fiscal year.

As at October 31, 2008, the Company's financial instruments are comprised of cash, receivables, amounts due to related parties and accounts payable and accrued liabilities. The fair value of cash, receivables,

amounts due to related parties and accounts payable and accrued liabilities approximate their carrying value due to their short-term maturity. The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk and interest rate risk.

#### *Currency Risk*

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and Chile. A portion of the Company's expenses are incurred in Chilean pesos and US dollars. A significant change in the currency exchange rates between the Canadian dollar relative to the Chilean peso or US dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

#### *Credit Risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash. The Company limits exposure to credit risk by maintaining its cash with large financial institutions. The Company does not have cash that is invested in asset based commercial paper.

#### *Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. The Company believes that these sources will be sufficient to cover the likely short and long-term requirements.

#### *Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company's cash is currently held in short-term interest bearing accounts, management considers the interest rate risk to be limited.

## 2) Capital management

Effective February 1, 2008, the Company implemented the new CICA accounting section 1535 (Capital Disclosures). Section 1535 specifies the disclosure of (i) an entity's objectives, policies, and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. This new Section relates to disclosure and no impact on the Company's financial results is expected for the current fiscal year.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to advance its mineral properties. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary. The Company manages its capital structure and makes adjustments to it to effectively support the acquisition and exploration of mineral properties. The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for general administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the three months ended October 31, 2008. The Company's investment policy is to hold cash in interest bearing bank accounts, which pay comparable interest rates to highly liquid short-term interest bearing investments with maturities of one year or less and which can be liquidated at any time without penalties. Neither the Company nor its subsidiaries are subject to externally imposed capital

requirements and do not have exposure to asset-backed commercial paper or similar products. The Company expects its current capital resources will be sufficient to carry out its exploration programs and operating costs for the next twelve months.

### 3) Going concern

The Accounting Standards Board amended CICA Handbook Section 1400, to include requirements for management to assess and disclose an entity's ability to continue as a going concern. When management is aware of material uncertainties related to events or conditions that may cast doubt on an entity's ability to continue as a going concern, those uncertainties must be disclosed. In assessing the appropriateness of the going concern assumption, the standard requires management to consider all available information about the future, which is at least, but not limited to, twelve months from the balance sheet date. This section applies to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008. The adoption of this new standard did not have a material impact on the consolidated financial statements for the periods presented.

### **Outstanding Share Data**

At December 17, 2008, the Company had 11,345,000 common shares issued and outstanding. There were also 1,020,000 options outstanding with expiry dates ranging from January 31, 2009 to July 3, 2013. There were 6,600,000 warrants outstanding with expiry dates ranging from July 10, 2009 to April 4, 2010.

### **Risks and Uncertainties**

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, none of the Company's properties has a known commercial ore deposit. The main operating risks include securing adequate funding to maintain and advance exploration properties; ensuring ownership of and access to mineral properties by confirmation that claims and leases are in good standing and obtaining permits for drilling and other exploration activities. The market prices for silver, gold and other metals can be volatile and there is no assurance that a profitable market will exist for a production decision to be made or for the ultimate sale of the metals even if commercial quantities of precious and other metals are discovered.

Iron Creek is currently earning an interest in certain of its properties through option agreements and acquisition of title to the properties is only completed when the option conditions have been met. These conditions generally include making property payments and incurring exploration expenditures on the properties. If the Company does not satisfactorily complete these option conditions in the time frame laid out in the option agreements, the Company's title to the related property will not vest and the Company will have to write-down any previously capitalized costs related to that property.

The Company's equity financings are sourced in Canadian dollars but for the most part it incurs its expenditures in local currencies or in US dollars. At this time there are no currency hedges in place. The Company does not have any employees with all work carried out through independent consultants.

### **Corporate Governance**

The Company's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Audit Committee of the Company fulfills its role of ensuring the integrity of the reported information through its review of the interim and audited annual financial statements prior to their submission to the Board of Directors for approval. The Audit Committee, comprised of three directors, two of whom are independent, meets with management of the Company on a quarterly basis to review the financial statements, including the MD&A, and to discuss other financial, operating and internal control matters.