



**ALTURAS MINERALS CORP.**  
(A development stage company)

**Consolidated Interim Financial Statements**

**Three and nine months ended June 30, 2008**

**(Expressed in US dollars unless otherwise stated)**  
**(Unaudited)**

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**CONSOLIDATED INTERIM BALANCE SHEETS**  
**(Expressed in US\$ unless otherwise stated)**

**(Unaudited)**

	<b>As at June 30, 2008</b>	<b>As at September 30 2007</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 3,542,422	\$ 7,876,501
Accounts receivable	46,210	30,333
Prepayments	24,002	34,387
	<u>3,612,634</u>	<u>7,941,221</u>
<b>Mineral properties</b> (Note 6)	240,000	240,000
<b>Property, plant and equipment</b> (Note 5)	<u>65,937</u>	<u>60,687</u>
	<u>\$ 3,918,571</u>	<u>\$ 8,241,908</u>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 140,861	\$ 138,734
<b>Non-current liabilities</b>		
Due to Equinox Minerals Limited (Note 7)	<u>375,000</u>	<u>375,000</u>
	515,861	513,734
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 8)	14,393,129	14,393,129
Warrants (Note 11)	1,135,454	1,451,234
Contributed surplus (Note 10)	3,533,303	2,890,972
Deficit	<u>(15,659,176)</u>	<u>(11,007,161)</u>
	<u>3,402,710</u>	<u>7,728,174</u>
	<u>\$ 3,918,571</u>	<u>\$ 8,241,908</u>

**See accompanying notes to interim consolidated financial statements.**

Nature of operations and going concern (Note 1)

Commitments (Note 12)

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
**(Expressed in US\$ unless otherwise stated)**

**(Unaudited)**

	<b>Three months ended June 30, 2008</b>	Three months ended June 30, 2007	<b>Nine months ended June 30, 2008</b>	Nine months ended June 30, 2007	Cumulative from inception on Jan. 14, 2004
<b>Expenses</b>					
Exploration	<b>\$ 1,200,915</b>	\$ 1,258,223	<b>\$ 3,694,114</b>	\$ 3,633,076	\$ 12,346,801
General and administration	<b>235,882</b>	153,430	<b>735,319</b>	595,736	2,761,032
Amortization of property, plant and equipment	<b>2,906</b>	2,471	<b>9,301</b>	7,012	37,456
Stock-based compensation (Note 9)	<b>102,545</b>	138,092	<b>326,551</b>	349,463	1,163,302
Other expense (income) (Note 14)	<b>13,936</b>	(19,932)	<b>(113,270)</b>	25,337	(649,415)
	<u><b>\$ 1,556,184</b></u>	<u>\$ 1,532,284</u>	<u><b>\$ 4,652,015</b></u>	<u>\$ 4,610,624</u>	<u>\$ 15,659,176</u>
<b>Net loss and comprehensive loss for the period</b>					
	<u><b>\$ 0.03</b></u>	<u>\$ 0.04</u>	<u><b>\$ 0.09</b></u>	<u>\$ 0.13</u>	
<b>Basic and diluted loss per share</b>					
	<u><b>53,127,073</b></u>	<u>40,140,772</u>	<u><b>53,127,073</b></u>	<u>35,456,601</u>	
<b>Weighted average number of shares outstanding</b>					

See accompanying notes to interim consolidated financial statements.

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
**(Expressed in US\$ unless otherwise stated)**

**(Unaudited)**

	<b>Three months ended June 30, 2008</b>	Three months ended June 30, 2007	<b>Nine months ended June 30, 2008</b>	Nine months ended June 30, 2007	Cumulative from inception on Jan. 14, 2004
<b>Cash Provided By (Used In) Operations</b>					
Net loss for the period	<b>\$ (1,556,184)</b>	\$ (1,532,284)	<b>\$ (4,652,015)</b>	\$ (4,610,624)	\$ (15,659,176)
Items not involving cash:			-		
Stock-based compensation (Note 9)	<b>102,545</b>	138,092	<b>326,551</b>	349,463	1,163,302
Amortization of property, plant and equipment	<b>2,906</b>	2,471	<b>9,301</b>	7,012	37,456
Foreign exchange loss (gain)	<b>26,756</b>	(5,881)	<b>24,537</b>	104,410	(261,367)
	<b>(1,423,977)</b>	(1,397,602)	<b>(4,291,626)</b>	(4,149,739)	(14,719,785)
Changes in non-cash working capital					
Accounts receivable and prepayments	<b>(5,107)</b>	(67,210)	<b>(5,330)</b>	(9,197)	26,545
Accounts payable and accrued liabilities	<b>9,535</b>	(309,572)	<b>27</b>	(165,866)	50,546
	<b>(1,419,549)</b>	(1,774,384)	<b>(4,296,929)</b>	(4,324,802)	(14,642,694)
<b>Financing</b>					
Contributions from shareholders	-	-	-	-	2,032,799
Proceeds on issuance of securities, net of share issue costs	-	8,603,878	-	8,655,364	14,957,435
Acquisition costs net of cash acquired	-	-	-	-	161,907
Advances from (repayments to) Equinox Minerals Limited (Note 7)	-	-	-	(375,000)	875,000
	<b>-</b>	<b>8,603,878</b>	<b>-</b>	<b>8,280,364</b>	<b>18,027,141</b>
<b>Investing</b>					
Purchase of property, plant and equipment	<b>(1,617)</b>	(12,803)	<b>(14,550)</b>	(32,351)	(103,392)
Net change in cash and cash equivalents	<b>(1,421,166)</b>	6,816,691	<b>(4,311,479)</b>	3,923,211	3,281,055
Cash and cash equivalents, beginning of period	<b>4,990,344</b>	2,167,735	<b>7,876,501</b>	5,171,506	-
Effect of exchange rate changes on cash held in foreign currencies	<b>(26,756)</b>	5,881	<b>(22,600)</b>	(104,410)	261,367
<b>Cash and cash equivalents, end of period</b>	<b>\$ 3,542,422</b>	<b>\$ 8,990,307</b>	<b>\$ 3,542,422</b>	<b>\$ 8,990,307</b>	<b>\$ 3,542,422</b>

See accompanying notes to interim consolidated financial statements.

Interest paid	-	-	-	-	-
Taxes paid	-	-	-	-	-

See accompanying notes to interim consolidated financial statements.

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**(Expressed in US\$ unless otherwise stated)**

**(Unaudited)**

	<b>Three months ended Jun. 30, 2008</b>	Three months ended Jun. 30, 2007	<b>Nine months ended Jun. 30, 2008</b>	Nine months ended Jun. 30, 2007	Cumulative from inception on Jan. 14, 2004
<b>Share capital</b>					
Balance, beginning of period	<b>\$ 14,393,129</b>	\$ 6,924,705	<b>\$ 14,393,129</b>	\$ 6,873,219	\$ -
Initial share allotment	-	-	-	-	1
Shares issued to acquire subsidiaries	-	-	-	-	240,001
Fair value warrant reallocation	-	-	-	-	(30,140)
Shares issued to Equinox Minerals Limited	-	-	-	-	500,000
Share exchange to effect RTO, net of costs	-	-	-	-	168,351
Proceeds from private placements, net of issue costs	-	7,468,424	-	7,468,424	14,267,418
Fair value of compensation options and broker warrants issued, net of issue costs	-	-	-	-	(224,858)
Fair value of warrants issued under private placements, net of issue costs	-	-	-	-	(1,226,376)
Exercise of stock options	-	-	-	-	13,217
Transfer from contributed surplus	-	-	-	-	8,718
Exercise of warrants	-	-	-	51,486	676,797
Balance, end of period	<b><u>14,393,129</u></b>	<u>14,393,129</u>	<b><u>14,393,129</u></b>	<u>14,393,129</u>	<u>14,393,129</u>
<b>Warrants</b>					
Balance, beginning of period	<b>1,135,454</b>	345,920	<b>1,451,234</b>	345,920	-
Transfer of warrants from share capital	-	-	-	-	30,140
Fair value of compensation options and broker warrants issued, net of issue costs	-	-	-	-	224,858
Fair value of warrants issued under private placements, net of issue costs	-	1,135,454	-	1,135,454	1,226,376
Transfer to contributed surplus on expiry of warrants	-	-	<b>(315,780)</b>	-	(345,920)
Balance, end of period	<b><u>1,135,454</u></b>	<u>1,481,374</u>	<b><u>1,135,454</u></b>	<u>1,481,374</u>	<u>1,135,454</u>
<b>Contributed surplus</b>					
Balance, beginning of period	<b>3,430,758</b>	2,525,094	<b>2,890,972</b>	2,313,723	-
Shareholder contributions	-	-	-	-	2,032,799
Stock-based compensation (Note 9)	<b>102,545</b>	138,092	<b>326,551</b>	349,463	1,163,302
Transfer to share capital on exercise of stock options	-	-	-	-	(8,718)
Transfer from warrants	-	-	<b>315,780</b>	-	345,920
Balance, end of period	<b><u>3,533,303</u></b>	<u>2,663,186</u>	<b><u>3,533,303</u></b>	<u>2,663,186</u>	<u>3,533,303</u>
<b>Deficit</b>					
Balance, beginning of period	<b>(14,102,992)</b>	(8,043,934)	<b>(11,007,161)</b>	(4,965,594)	-
Net loss for the period	<b>(1,556,184)</b>	(1,532,284)	<b>(4,652,015)</b>	(4,610,624)	(15,659,176)
Balance, end of period	<b><u>(15,659,176)</u></b>	<u>(9,576,218)</u>	<b><u>(15,659,176)</u></b>	<u>(9,576,218)</u>	<u>(15,659,176)</u>
<b>Total</b>	<b><u>\$ 3,402,710</u></b>	<u>\$ 8,961,471</u>	<b><u>\$ 3,402,710</u></b>	<u>\$ 8,961,471</u>	<u>\$ 3,402,710</u>

See accompanying notes to interim consolidated financial statements.

---

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**NOTES TO CONSOLIDATED INTERIM FINANCIALS STATEMENTS**  
**(Expressed in US\$ unless otherwise stated)**

---

**Three and nine months ended June 30, 2008 (unaudited)**

---

**1. NATURE OF OPERATIONS AND GOING CONCERN**

Alturas Minerals Corp. ("Alturas" or the "Company") is a Canadian corporation that has been actively exploring various mineral projects in Peru since January 2004. The principal assets of the Company are four mineral exploration projects located in southern Peru, being the Huilacollo Gold Project, the Baños del Indio Gold Project, the Utupara Copper-Gold Project and the Huajoto Gold-Silver-Zinc Project. In addition, Alturas Peru has interests in ten other exploration projects in Peru. The exploration strategy of the Company is to focus on the discovery of large epithermal gold mineralized deposits and copper-gold porphyry/skarn deposits. To date, the Company has not earned mining revenues and is considered to be in the development stage.

These consolidated financial statements have been prepared using Canadian generally accepted accounting principles applicable to a going concern, which contemplate the realization of assets and settlement of liabilities in the normal course of business as they come due. For the three and nine months ended June 30, 2008, the Company incurred a loss of approximately \$1.6 million and \$4.7 million respectively and as at June 30, 2008 had an accumulated deficit of approximately \$15.7 million. In addition to its working capital requirements, the Company must secure sufficient funding to meet its spending and purchase option obligations with respect to its mineral properties in order to keep legal title and advance the projects. There are approximately \$4.1 million in existing commitments as at June 30, 2008. In due course, the Company will have to secure additional financing to carry out planned and future exploration and development activities. Such circumstances lend substantial doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

The Company raised capital by way of a private placement during the previous financial year and had approximately \$3.5 million in cash and cash equivalents at June 30, 2008 to fund exploration and meet contractual obligations. The Company's financing efforts to date, while substantial, are not sufficient in and of themselves to enable the Company to fund all aspects of its operations. Management expects that the Company, based upon the underlying value of its exploration projects, will be able to secure the necessary financing to meet the Company's requirements on an ongoing basis. Nevertheless, there is no assurance that these initiatives will be successful.

The Company's ability to continue as a going concern is dependent upon its ability to fund its working capital and exploration requirements and eventually to generate positive cash flows, either from operations or sale of properties. 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 inappropriate, and these adjustments could be material.

**2. BASIS OF PRESENTATION AND NEW ACCOUNTING POLICIES**

**Basis of Presentation**

The unaudited interim consolidated financial statements have been presented in accordance with Canadian generally accepted accounting principles ("GAAP"). The preparation of the financial statements is based upon accounting policies and practices consistent with those used in preparing the annual, audited financial statements as of September 30, 2007 ("2007 statements"). These unaudited interim consolidated statements should be read in conjunction with the Notes to the 2007 statements, as they do not contain all the disclosures required under Canadian GAAP for annual audited financial statements. These unaudited interim consolidated financial statements reflect all normal and recurring adjustments, which are, in the opinion of management, necessary for fair presentation of the interim periods presented.

---

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**NOTES TO CONSOLIDATED INTERIM FINANCIALS STATEMENTS**  
**(Expressed in US\$ unless otherwise stated)**

---

**Three and nine months ended June 30, 2008 (unaudited)**

---

### **New Accounting Policies**

(a) Capital Disclosures and Financial Instruments – disclosures and presentation

On December 1, 2006, the CICA issued three new accounting standards: Capital Disclosures (Handbook Section 1535), Financial Instruments – Disclosures (Handbook Section 3862), and Financial Instruments – Presentation (Handbook Section 3863). These new standards became effective for the Company on October 1, 2007.

(b) Capital Disclosures

Handbook 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. The Company has included disclosures recommended by the new Handbook section in Note 3 to these interim financial statements.

(c) Financial Instruments

Handbook Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. The Company has included disclosures recommended by the new Handbook section in Note 4 to these interim financial statements.

### **Future Accounting Changes**

(a) Inventories

Handbook Section 3031, Inventories, relates to the accounting for inventories and revises and enhances the requirements for assigning costs to inventories. The new standard applies to interim and annual financial statements for fiscal years beginning on or after January 1, 2008, and will be effective for the Company's annual and interim financial statements for the periods beginning on and after October 1, 2008.

The Company does not expect that this standard will have a significant impact on its consolidated financial statements.

(b) International Financial Reporting Standards ("IFRS")

In January 2006, the Accounting Standards Board ("AcSB") formally adopted the strategy of replacing financial reporting under Canadian GAAP with financial reporting under IFRS, for Canadian enterprises with public accountability. The current conversion timetable calls for financial reporting under IFRS for accounting periods commencing on or after January 1, 2011. On February 13, 2008, the AcSB confirmed that the use of IFRS will be required in 2011 for publicly accountable for-profit enterprises. Financial reporting under IFRS will be required for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company will be required to prepare comparative financial statements in accordance with IFRS beginning with the three-month period ended December 31, 2010. The Company is currently assessing the impact of IFRS on its consolidated financial statements.

(c) Goodwill and Intangible Assets

In October 2007, the CICA approved Handbook Section 3064, "Goodwill and Intangible Assets" which replaces the existing Handbook Sections 3062, "Goodwill and Other Intangible Assets" and 3450 "Research and Development Costs". This standard is effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008, with earlier application encouraged. The standard

---

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**NOTES TO CONSOLIDATED INTERIM FINANCIALS STATEMENTS**  
**(Expressed in US\$ unless otherwise stated)**

---

**Three and nine months ended June 30, 2008 (unaudited)**

---

provides guidance on the recognition, measurement and disclosure requirements for goodwill and intangible assets. The Company is currently assessing the impact of this new accounting standard on its consolidated financial statements.

### **3. CAPITAL MANAGEMENT**

The Company's objective when managing capital is to maintain adequate levels of funding to support its exploration activities within Peru, to maintain corporate and administrative functions necessary to support organizational functioning and obtain sufficient funding to further the identification and development of precious metals deposits within Peru.

The Company manages its capital structure in a manner that provides sufficient funding for operational activities. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurances that the Company will be able to continue raising equity capital in this manner.

The Company invests all capital that is surplus to its immediate operational needs in short-term, liquid and highly-rated financial instruments, such as cash and other short-term guaranteed deposits, all held with major Canadian financial institutions.

### **4. FINANCIAL RISK FACTORS**

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

#### **(a) Credit risk**

The Company is not exposed to major credit risks attributable to customers and does not engage in any sales activities. Additionally, the majority of the Company's cash and cash equivalents are held with a highly rated Canadian financial institution in Canada; the remainder being held with a Peruvian branch of another major Canadian financial institution.

#### **(b) Market risk**

##### Interest rate risk

The Company had approximately \$3.5 million in cash and cash equivalents at the end of June 30, 2008 and does not have any interest-bearing debt. The Company invests cash surplus to its operational needs in investment-grade short-term deposit certificates issued by the bank where it keeps its Canadian bank accounts. The Company periodically assesses the quality of its investments with this bank and is satisfied with the credit rating of the bank and the investment grade of its short-term deposit certificates.

##### Foreign currency risk

The Company's exploration and evaluation activities are substantially denominated in US dollars. The Company's funds are predominantly kept in US dollars with major Canadian financial institutions. The majority of the funds are held in Canada and the Company periodically sends wires of US dollar funds to its Peruvian operations, sufficient to sustain one financial quarter of operational expenditure.

A minor amount of Canadian dollar funds are held to maintain head office operational requirements.

##### Sensitivity analysis

The Company has designated its cash and cash equivalents as held-for-trading, which is measured at fair value. As at June 30, 2008, the carrying amount of the financial instruments equals fair market value.

Management believes that, based on their knowledge and experience of financial markets, the following sensitivity analysis is appropriate for its cash and cash equivalents and its exposure to foreign exchange risk:

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**NOTES TO CONSOLIDATED INTERIM FINANCIALS STATEMENTS**  
**(Expressed in US\$ unless otherwise stated)**

**Three and nine months ended June 30, 2008 (unaudited)**

The Company's funds are held primarily in short-term investment-grade deposits, the rates of which are fixed for a period not exceeding three months. A one-percent change in the interest rate for these instruments would affect the Company by an annualized amount of interest equal to approximately \$0.03 million.

The Company accounts for temporal movements in the US dollar exchange rate for all items measured at historical cost on its balance sheet, by including such changes as a charge or gain to its income statement.

**5. PROPERTY, PLANT AND EQUIPMENT**

	June 30, 2008	September 30, 2007
Property, plant and equipment - at cost	\$ 103,392	\$ 88,842
Less: accumulated amortization	<u>(37,455)</u>	<u>(28,155)</u>
	<u>\$ 65,937</u>	<u>\$ 60,687</u>

**6. MINERAL PROPERTIES**

	June 30, 2008	September 30, 2007
Utupara <sup>(i)</sup>	\$ 190,000	\$ 190,000
Huilacollo <sup>(ii)</sup>	20,000	20,000
Baños del Indio <sup>(iii)</sup>	<u>30,000</u>	<u>30,000</u>
	<u>\$ 240,000</u>	<u>\$ 240,000</u>

Notes:

(i) **Utupara** copper-gold project – 100% owned by Alturas.

(ii) **Huilacollo** gold project – Alturas holds an option on this advanced exploration project in the department of Tacna in the Peru-Chile border region.

(iii) **Baños del Indio** gold project – 100% owned by Alturas

**7. DUE TO EQUINOX MINERALS LIMITED**

On March 31, 2006, Alturas issued a \$750,000 promissory note to Equinox Minerals in order to recognize the over contribution Equinox Minerals had made with respect to shareholdings in Alturas Peru. This promissory note is non-interest bearing and due on March 31, 2010. Alturas has the right to repay Equinox Minerals the owed amount in whole at any time, and the promissory note is non-assignable. To date, half of the amount has been repaid, leaving a balance of \$375,000 at June 30, 2008.

The fair value of the promissory note has been estimated by management to be approximately \$354,828.

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**NOTES TO CONSOLIDATED INTERIM FINANCIALS STATEMENTS**  
**(Expressed in US\$ unless otherwise stated)**

**Three and nine months ended June 30, 2008 (unaudited)**

**8. SHARE CAPITAL**

**(a) Authorized capital**

The number of authorized common shares and preferred shares is unlimited.

**(b) Issued capital**

	<b>Number of Shares</b>	<b>Amount</b>
Balance, June 30, 2008 and September 30, 2007	<u>53,127,073</u>	<u>\$ 14,393,129</u>

**9. STOCK OPTIONS**

The Company has a Stock Option Plan (the "Plan") to provide incentive for the directors, officers, employees, consultants and service providers of the Company (and its subsidiary). The maximum number of shares which may be set aside for issuance under the Plan is 10% of the outstanding common shares (1,312,707 maximum common shares in addition to options in issue as at March 31, 2008) (September 30, 2007 - 1,682,707 maximum common shares in addition to options in issue at September 30, 2007).

The following table reflects the continuity of stock options for the nine months ended June 30, 2008:

	<b>Number of Stock Options</b>	<b>Weighted average exercise price (\$ CAD)</b>
Balance, September 30, 2007	<b>3,630,000</b>	0.63
Expired during the period	<b>(75,000)</b>	0.70
Granted	<b>445,000</b>	0.22
Balance, June 30, 2008	<u><b>4,000,000</b></u>	<u>0.59</u>

The following table reflects the actual stock options issued and outstanding at June 30, 2008:

<b>Expiry Date</b>	<b>Exercise Price (\$ CAD)</b>	<b>Number of Options Outstanding</b>	<b>Number of Options Vested</b>	<b>Number of Options Unvested</b>
September 10, 2010	0.30	50,000	50,000	-
June 14, 2011	0.65	1,635,000	1,635,000	-
January 19, 2012	0.65	300,000	200,000	100,000
June 30, 2012	0.50	500,000	333,333	166,667
September 7, 2012	0.68	920,000	306,667	613,333
September 29, 2012	0.68	150,000	50,000	100,000
March 2, 2013	0.22	445,000	148,334	296,666
		<u>4,000,000</u>	<u>2,723,334</u>	<u>1,276,666</u>

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**NOTES TO CONSOLIDATED INTERIM FINANCIALS STATEMENTS**  
**(Expressed in US\$ unless otherwise stated)**  
**Three and nine months ended June 30, 2008 (unaudited)**

The following table reflects the actual stock options issued and outstanding at September 30, 2007:

<b>Expiry Date</b>	<b>Exercise Price (\$ CAD)</b>	<b>Number of Options Outstanding</b>	<b>Number of Options Vested</b>	<b>Number of Options Unvested</b>
September 10, 2010	0.30	50,000	50,000	-
June 14, 2011	0.65	1,635,000	1,090,000	545,000
October 29, 2007	0.70	75,000	75,000	-
January 19, 2012	0.65	300,000	100,000	200,000
June 30, 2012	0.50	500,000	166,667	333,333
September 7, 2012	0.68	920,000	306,667	613,333
September 29, 2012	0.68	150,000	50,000	100,000
		<u>3,630,000</u>	<u>1,838,334</u>	<u>1,791,666</u>

The amount remaining to be expensed of the stock options issued and outstanding as at June 30, 2008 is \$178,485.

On March 2, 2008, Alturas granted an aggregate of 445,000 incentive stock options to officers and directors of the Company, pursuant to the Company's Stock Option Plan, at an exercise price of \$0.22 (Canadian) per share. The options are exercisable over a period of five years. The fair value of each option was estimated on the date of the grant using the Black-Scholes option pricing model, with the following assumptions: dividend yield of 0%, expected volatility of 90%; risk-free interest rate of 4.19%; and an expected average life of 5 years. The estimated fair value of \$78,929 will be classified as stock-based compensation and credited to contributed surplus as the options vest. The options vest over two years as to one-third immediately and one-third per year thereafter. For the three and nine months ended June 30, 2008, \$9,866 and \$36,176 respectively was charged to expenses relating to these options.

**10. CONTRIBUTED SURPLUS**

Activity for the nine months ended June 30, 2008 is as follows:

	<b>\$</b>
Balance, September 30, 2007	2,890,972
Stock-based compensation	326,551
Expiry of warrants (Note 11)	<u>315,780</u>
Balance, June 30, 2008	<u>3,533,303</u>

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**NOTES TO CONSOLIDATED INTERIM FINANCIALS STATEMENTS**  
**(Expressed in US\$ unless otherwise stated)**

**Three and nine months ended June 30, 2008 (unaudited)**

**11. WARRANTS**

The following table reflects the continuity of warrants for the nine months ended June 30, 2008:

	<b>Number of Warrants</b>	<b>Weighted average exercise price (\$ CAD)</b>	<b>\$</b>
Balance, September 30, 2007	18,358,019	0.67	1,451,234
Warrants expired	<u>(6,958,019)</u>	<u>0.72</u>	<u>(315,780)</u>
Balance, June 30, 2008	<u>12,177,778</u>	<u>0.63</u>	<u>1,135,454</u>

The following table reflects the actual warrants outstanding as of June 30, 2008:

<b>Expiry Date</b>	<b>Number of Warrants</b>	<b>Exercise price (\$ CAD)</b>	<b>Fair Value</b>
November 29, 2008	10,000,000	0.65	949,376
November 29, 2008	<u>1,400,000</u>	<u>0.50</u>	<u>186,078</u>
	<u>11,400,000</u>	<u>0.63</u>	<u>1,135,454</u>

The following table reflects the actual warrants outstanding as of September 30, 2007:

<b>Expiry Date</b>	<b>Number of Warrants</b>	<b>Exercise price (\$ CAD)</b>	<b>Fair Value</b>
March 31, 2008	5,421,264	0.75	277,000
March 31, 2008	758,977	0.65	38,780
April 10, 2008	777,778	0.60	-
November 29, 2008	10,000,000	0.65	949,376
November 29, 2008	<u>1,400,000</u>	<u>0.50</u>	<u>186,078</u>
	<u>18,358,019</u>	<u>0.67</u>	<u>1,451,234</u>

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**NOTES TO CONSOLIDATED INTERIM FINANCIALS STATEMENTS**  
**(Expressed in US\$ unless otherwise stated)**

**Three and nine months ended June 30, 2008 (unaudited)**

**12. COMMITMENTS**

The Company's contractual obligations to maintain its mineral property interests over the next five calendar years are as follows:

Commitment	2008	2009	December 31			Total
			2010	2011	2012	
<b>Utupara-Chapi Chapi</b>						
Property fees	\$ -	\$ 53,074	\$ 103,681	\$ 113,223	\$ 113,223	\$ 383,201
<b>Huilacollo</b>						
Mining rights	1,200,000	1,500,000	-	-	-	2,700,000
Property fees	40,000	46,000	46,000	46,000	46,000	224,000
	<u>1,240,000</u>	<u>1,546,000</u>	<u>46,000</u>	<u>46,000</u>	<u>46,000</u>	<u>2,930,000</u>
<b>Baños del Indio</b>						
Property fees	<u>113,766</u>	<u>133,375</u>	<u>138,465</u>	<u>138,465</u>	<u>138,465</u>	<u>662,536</u>
<b>Huajoto</b>						
Property fees	<u>5,968</u>	<u>20,859</u>	<u>32,250</u>	<u>32,250</u>	<u>32,250</u>	<u>123,577</u>
<b>Totals</b>						
Mining rights	1,200,000	1,500,000	-	-	-	2,700,000
Property fees	<u>159,734</u>	<u>253,308</u>	<u>320,396</u>	<u>329,938</u>	<u>329,938</u>	<u>1,393,314</u>
	<u>\$ 1,359,734</u>	<u>\$ 1,753,308</u>	<u>\$ 320,396</u>	<u>\$ 329,938</u>	<u>\$ 329,938</u>	<u>\$ 4,093,314</u>

**13. RELATED PARTY TRANSACTIONS**

Related party transactions reflected below are in the normal course of operations and are measured in US dollars at the exchange amount of consideration established and agreed to by the parties.

- (i) Exploandes SRL, a company in which a director of the Company is the principal, has provided certain technical, managerial and exploration services to the Company. The cost of such services for the three months ended June 30, 2008 was \$136,468, compared with \$192,846 for the three months ended June 30, 2007. The cost of such services for the nine months ended June 30, 2008 was \$470,649 compared with \$683,553 for the nine months ended June 30, 2007. As of June 30, 2008, \$20,817 was owed to Exploandes SRL.
- (ii) Oreforming Solutions SRL, a company in which a director of the Company is the principal, has provided certain technical services to the Company. The cost of such services for the three months ended June 30, 2008 was \$132,162, compared with \$115,851 for the three months ended June 30, 2007. The cost of such services for the nine months ended June 30, 2008 was \$394,648, compared with \$298,964 for the nine months ended June 30, 2007. As of June 30, 2008, \$Nil was owed to Oreforming Solutions SRL.
- (iii) Gestora de Negocios e Inversiones SA, a company in which a director of the Company is the principal, has provided certain technical services to the Company. The cost of such services for the three months

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**NOTES TO CONSOLIDATED INTERIM FINANCIALS STATEMENTS**  
**(Expressed in US\$ unless otherwise stated)**

**Three and nine months ended June 30, 2008 (unaudited)**

ended June 30, 2008 was \$8,568, compared with \$8,658 for the three months ended June 30, 2007. The cost of such services for the nine months ended June 30, 2008 was \$25,704, compared with \$25,704 for the nine months ended June 30, 2007. As of June 30, 2008, \$Nil was owed to Gestora de Negocios e Inversiones SA.

- (iv) The Company paid \$21,146 during the three months ended June 30, 2008 to a legal firm in which a director of the Company is a partner, compared with \$64,651 for the three months ended June 30, 2007. The Company paid \$82,078 for the nine months ended June 30, 2008 to this firm, compared with \$111,955 for the nine months ended June 30, 2007. As of June 30, 2008, \$15,250 was owed to this legal firm.
- (v) The Company also paid \$18,150 during the three months ended June 30, 2008 to a consulting firm in which an officer of the Company is a principal, compared with \$Nil for the three months ended June 30, 2007. The Company paid \$62,000 for the nine months ended June 30, 2008 to this firm, compared with \$Nil for the nine months ended June 30, 2007. As of June 30, 2008, \$6,230 was owed to this firm.

**14. OTHER EXPENSE (INCOME)**

	<b>Three months ended June 30, 2008</b>	Three months ended June 30, 2007	<b>Nine months ended June 30, 2008</b>	Nine months ended June 30, 2007	<b>Cumulative from inception on Jan 14, 2004</b>
Interest income	\$ (13,038)	\$ (14,051)	\$ (105,051)	\$ (79,073)	\$ (371,876)
Foreign exchange (gain) / loss	26,759	(5,881)	(8,628)	104,410	(277,948)
Other	215	-	409	-	409
	<b>\$ 13,936</b>	<b>\$ (19,932)</b>	<b>\$ (113,270)</b>	<b>\$ 25,337</b>	<b>\$ (649,415)</b>

**ALTURAS MINERALS CORP.**  
**(A development stage company)**  
**NOTES TO CONSOLIDATED INTERIM FINANCIALS STATEMENTS**  
**(Expressed in US\$ unless otherwise stated)**

**Three and nine months ended June 30, 2008 (unaudited)**

**15. SEGMENTED INFORMATION**

The Company operates in one reportable operating segment, being the exploration and development of mineral properties in Peru. The Company has administrative offices in Toronto, Canada. Geographical information is as follows:

	<b>Cash and cash equivalents</b>	<b>Other assets</b>	<b>Capital assets</b>	<b>Total assets</b>
<b>June 30, 2008</b>				
Canada	\$ 2,603,944	\$ 48,814	\$ 2,910	\$ 2,655,668
Peru	938,478	21,398	303,027	1,262,903
	<u>\$ 3,542,422</u>	<u>\$ 70,212</u>	<u>\$ 305,937</u>	<u>\$ 3,918,571</u>
<b>September 30, 2007</b>				
Canada	\$ 7,151,605	\$ 60,902	\$ 2,910	\$ 7,215,417
Peru	724,896	243,818	57,777	1,026,491
	<u>\$ 7,876,501</u>	<u>\$ 304,720</u>	<u>\$ 60,687</u>	<u>\$ 8,241,908</u>