

EVERTON RESOURCES INC.
(A development stage Company)

Interim Consolidated Financial Statements
For three and six months ended April 30, 2008

Management's Responsibility for Financial Statements	2
Financial Statements	
Consolidated Balance Sheets	3
Consolidated Operations	4
Consolidated Deferred Exploration Expenses	5
Consolidated Deficit	6
Consolidated Comprehensive Loss	7
Consolidated Cash Flows	8
Notes to Consolidated Financial Statements	9 to 18

Management's Responsibility for Interim Financial Statements

To the Shareholders of Everton Resources Inc.

The interim consolidated financial statements and the notes thereto for three and six months ended April 30, 2008 are the responsibility of the management of Everton Resources Inc. These interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles, using management's best estimates and judgements where appropriate.

Management has developed and maintained a system of internal controls to provide reasonable assurance that all assets are safeguarded and to facilitate the preparation of relevant, reliable and timely financial information.

The auditors of Everton Resources Inc. have not performed a review of the consolidated financial statements for the three and six months ended April 30, 2008.

(signed) André Audet
André Audet, CEO

(signed) Marc Carbonneau
Marc Carbonneau, CFO

Everton Resources Inc.
(A development stage Company)
Consolidated Balance Sheets
As at

	April 30, 2008	October 31, 2007
	(Unaudited)	(Audited)
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	4,942,662	2,537,239
Short-term investments (Note 3)	-	5,468,851
Marketable securities	7,500	10,000
Accounts receivable	374,548	190,507
Amounts due from related parties (Note 7)	20,224	48,492
Tax credits and mining duties receivable	2,660,139	1,904,970
Advances to operators	-	12,706
Prepaid expenses	78,674	69,135
	<u>8,083,747</u>	<u>10,241,900</u>
Long-term investment (Note 4)	2,400,000	-
Property, plant and equipment (Note 5)	50,358	50,952
Mineral exploration properties (Note 6)	1,599,324	2,201,870
Deferred exploration expenses (Note 6)	8,188,545	6,669,196
	<u>20,321,974</u>	<u>19,163,918</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	667,855	360,603
Other current liabilities	20,134	-
	<u>687,989</u>	<u>360,603</u>
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	25,529,177	25,467,445
Warrants (Note 8)	3,616,176	3,616,176
Contributed surplus (Note 9)	2,327,117	1,946,319
Accumulated other comprehensive income	1,190,250	(7,250)
Deficit	(13,028,735)	(12,219,375)
	<u>19,633,985</u>	<u>18,803,315</u>
	<u>20,321,974</u>	<u>19,163,918</u>

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

On behalf of the Board,
(signed) "André Audet"
André Audet, Director

On behalf of the Board,
(signed) "Michael Farrant"
Michael Farrant, Director

Everton Resources Inc.

(A development stage Company)

Consolidated Operations (unaudited)

	Three months Ended April 30, 2008	Three months Ended April 30, 2007	Six months Ended April 30, 2008	Six months Ended April 30, 2007
	\$	\$	\$	\$
Operating expenses				
Management and consulting fees	88,889	82,337	237,550	168,022
Salaries and benefits	189,820	170,220	436,491	439,024
Travel and promotion	23,260	81,951	57,200	188,658
Report to shareholders	17,812	19,542	19,054	21,485
Conferences and subscription	5,675	29,280	14,477	39,480
Stationery and office supplies	7,228	6,242	17,845	13,005
Professional fees	14,347	30,570	66,656	63,256
Insurance	6,032	8,878	16,180	13,495
Bank charges and interest	2,607	2,816	4,401	3,737
General expenses	29,487	44,134	49,814	49,592
Loss (gain) on foreign exchange	2,011	(2,776)	8,484	(1,384)
Amortization of property, plant and equipment	4,468	5,347	8,936	10,566
Write-down of deferred exploration expenses	-	-	5,256	11,878
Project evaluation	3,776	-	4,721	-
Loss from operations	395,412	478,541	947,065	1,020,814
Other income				
Interest income	(53,325)	(78,233)	(137,705)	(88,612)
Net loss	342,087	400,308	809,360	932,202
Basic and diluted net loss per common share	0.01	0.01	0.01	0.02
Basic and diluted weighted average number of common shares outstanding	57,686,970	54,900,285	57,579,308	50,332,062

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

Everton Resources Inc.

(A development stage Company)

Consolidated Deferred Exploration Expenses (unaudited)

	Three months Ended April 30, 2008	Three months Ended April 30, 2007	Six months Ended April 30, 2008	Six months Ended April 30, 2007
	\$	\$	\$	\$
Balance, beginning of the period	6,920,927	4,162,488	6,669,196	3,470,563
Additions				
Drilling	818,378	570,688	1,065,928	816,192
Project consulting	65,526	39,344	125,491	42,792
Geophysical survey	189,436	588,281	265,170	728,930
Geological survey	288,367	147,264	479,791	283,831
Geochemical survey	37,062	114,790	104,816	278,946
Report preparation	183,700	24,505	258,811	36,369
Renewal of licenses and permits	3,320	197,215	6,063	268,430
General field expenses	300,271	208,029	441,611	310,230
	1,886,060	1,890,116	2,747,681	2,765,720
Contribution of partners	-	(38,787)	-	(57,518)
	1,886,060	1,851,329	2,747,681	2,708,202
Write-down of deferred exploration expenses	-	-	(5,256)	(11,878)
Cost of mining properties sold	-	-	(467,908)	-
Tax credits and mining duties	(618,442)	(508,205)	(755,168)	(661,275)
	(618,442)	(508,205)	(1,228,332)	(673,153)
Balance, end of the period	8,188,545	5,505,612	8,188,545	5,505,612

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

Everton Resources Inc.

(A development stage Company)

Consolidated Deficit (unaudited)

	Three months Ended April 30, 2008	Three months Ended April 30, 2007	Six months Ended April 30, 2008	Six months Ended April 30, 2007
	\$	\$	\$	\$
Deficit, beginning of period	12,686,648	9,725,733	12,219,375	9,193,839
Net loss	342,087	400,308	809,360	932,202
Deficit, end of period	<u>13,028,735</u>	<u>10,126,041</u>	<u>13,028,735</u>	<u>10,126,041</u>

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

Everton Resources Inc.

(A development stage Company)

Consolidated comprehensive income (loss) (unaudited)

	Three months Ended April 30, 2008	Three months Ended April 30, 2007	Six months Ended April 30, 2008	Six months Ended April 30, 2007
	\$	\$	\$	\$
Net loss for the period	(342,087)	(400,308)	(809,360)	(932,202)
Other comprehensive income (loss)				
Unrealized gain (loss) on available-for sale investment	1,199,875	(2,250)	1,197,500	(4,500)
Comprehensive income (loss) for the period	<u>857,788</u>	<u>(402,558)</u>	<u>388,140</u>	<u>(936,702)</u>

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

Everton Resources Inc.

(A development stage Company)

Consolidated Cash Flows (unaudited)

	Three months Ended April 30, 2008	Three months Ended April 30, 2007	Six months Ended April 30, 2008	Six months Ended April 30, 2007
	\$	\$	\$	\$
OPERATING ACTIVITIES				
Net loss	(342,087)	(400,308)	(809,360)	(932,202)
Non-cash items				
Amortization of property, plant and equipment	4,468	5,347	8,936	10,566
Stock based compensation	141,294	93,088	380,797	188,083
Write-down of deferred exploration expenses	-	-	5,256	11,878
Changes in non-cash working capital items (Note 10)	(92,719)	(86,041)	(125,431)	35,196
Cash flows used in operating activities	<u>(289,044)</u>	<u>(387,914)</u>	<u>(539,801)</u>	<u>(686,479)</u>
INVESTING ACTIVITIES				
Short-term investments	2,493,463	(6,828,480)	5,468,851	(6,828,480)
Acquisition of property, plant and equipment	-	(2,848)	(8,342)	(4,787)
Mineral exploration property costs	(50,715)	(697,248)	(114,295)	(798,240)
Deferred exploration expenses	(1,751,416)	(1,858,214)	(2,447,472)	(2,779,038)
Tax credits and mining duties received	-	47,014	-	294,877
Cash flows from (used in) investing activities	<u>691,332</u>	<u>(9,339,776)</u>	<u>2,898,742</u>	<u>(10,115,668)</u>
FINANCING ACTIVITIES				
Payments on capital lease obligation	-	-	-	(8,366)
Common shares issued	41,770	12,591,714	41,770	13,650,492
Share issue costs	4,711	(932,827)	4,711	(932,827)
Cash flows from financing activities	<u>46,481</u>	<u>11,658,887</u>	<u>46,481</u>	<u>12,709,299</u>
Increase in cash and cash equivalents	448,769	1,931,197	2,405,423	1,907,152
Cash and cash equivalents, beginning of period	<u>4,493,893</u>	<u>1,431,319</u>	<u>2,537,239</u>	<u>1,455,364</u>
Cash and cash equivalents, end of period	<u>4,942,662</u>	<u>3,362,516</u>	<u>4,942,662</u>	<u>3,362,516</u>
Non-cash supplemental information:				
Deferred exploration expenses included in accounts payable	629,525	274,430	629,525	274,430
Common shares received in exchange of mineral properties	-	-	1,200,000	-
Common shares issued to increase interest in mineral properties	15,250	850,800	15,250	850,800

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

Everton Resources Inc.

(A development stage Company)

Notes to Consolidated Financial Statements (unaudited)

April 30, 2008

1. Governing statutes and nature of operations

Everton Resources Inc. (the "Company" or "Everton") was incorporated under the Business Corporations Act (Alberta) on November 7, 1996 and commenced operations on December 19, 1996. Until June 2002, the Company was involved in an internet related business. In November 2002, the Company commenced its current nature of operations which involves acquisition, exploration and development of mineral resource properties. The Company is in the exploration stage and does not derive any revenue from the development of its properties.

Until it is determined that the Company's properties contain mineral reserves or resources that can be economically mined, they are classified as mineral exploration properties. The recoverability of deferred exploration expenses is dependent upon: the discovery of economically recoverable reserves and resources; securing and maintaining title and beneficial interest in the properties; the ability to obtain necessary financing to complete exploration, development and construction of processing facilities; obtaining certain government approvals; and attaining profitable production.

2. Basis of presentation and accounting estimates

The accompanying unaudited consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). They are consistent with the policies and practices used in the preparation of the Company's audited annual consolidated financial statements, except for the adoption of new standards described in the following paragraphs. These interim unaudited consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the years ended October 31, 2007 and 2006.

Effective November 1, 2007, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants (CICA) under CICA Handbook Section 3862, "Financial Instruments – Disclosures", Section 3863, "Financial instruments – Presentation" and Section 1535, "Capital Disclosures". These new standards relate only to disclosure and presentation and have no impact on the Company's results.

Section 3862 describes the required disclosure for the assessment of the significance of financial instruments on an entity's financial position and performance and of the nature and extent of risk arising from financial instruments to which the entity is exposed and how the entity manages those risks.

The purpose of Section 3863 is to enhance the Financial Statements user's understanding of the significance of financial instruments to the Company's financial position, performance and cash flows. It carries forward the presentation-related requirements of Section 3861 "Financial Instruments – Disclosure and Presentation".

Section 1535 establishes standards for disclosing information about an entity's capital and how it is managed to enable users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital.

3. Short term investments

Investments (in the form of bankers acceptance) with maturities from the date of acquisition of 90 days to 6 months are nil at April 30, 2008 (\$5,468,851 at October 31, 2007). Maturities under 90 days total \$3,997,799 (\$1,929,471 at October 31, 2007) and are included in cash and cash equivalents, These have interest rates ranging from 2.88% to 3.36%, and maturities ranging from May to June 2008. These investments are carried at fair value.

Everton Resources Inc.

(A development stage Company)

Notes to Consolidated Financial Statements (unaudited)

April 30, 2008

4. Long term investment

Further to a sale agreement dated November 22, 2007, and amended on December 5, 2007, the Company sold the following 18 properties located in the James Bay Area to NQ Exploration Inc. ("NQ"): Aylmer, Candlestick, Castle (including Castle south), Conviac, Corvet Sud, Eastmain, Eastmain Nord, Gauchet, Jobert, Le Moyne, Morand, Pine Hill, Pine Hill Nord, Pontax, Sakami, Duncan, Wapamisk and Star Lake in exchange for 12,000,000 common shares of NQ valued at a price of \$0.10 per share. On April 30, 2008, NQ completed its Initial Public Offering. The common shares are classified as long-term investment and are measured at fair value with changes in fair value recorded in other comprehensive income until the financial asset is derecognized or impaired.

	Cost	Unrealized gain	As at April 30, 2008 Fair value
	\$	\$	\$
12,000,000 common shares of NQ Exploration Inc.	1,200,000	1,200,000	2,400,000

5. Property, plant and equipment

	April 30, 2008		October 31, 2007	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Computer equipment	40,669	19,571	21,098	21,539
Computer software	31,554	26,052	5,502	3,015
Furniture and equipment	36,531	12,773	23,758	26,398
	108,754	58,396	50,358	50,952

6. Mineral exploration properties and deferred exploration expenses

	April 30, 2008		October 31, 2007	
	Mineral Properties	Deferred Exploration Expenses	Mineral Properties	Deferred Exploration Expenses
	\$	\$	\$	\$
a) Opinaca	244,646	2,852,157	194,646	2,314,422
b) Wildcat	260,953	1,159,680	250,028	909,198
c) Eastmain River Area	-	-	137,887	122,326
c) James Bay Area	56,014	12,018	622,844	313,273
c) Star Lake	-	-	9,333	41,945
d) Fosse du Labrador	15,000	101,885	-	18,490
e) Cuance	-	1,001,529	-	733,681
e) Los Hojanchos	-	316,342	-	315,505
f) Loma El Mate	183,836	828,586	183,836	825,539
g) Jobo Claro	302,280	459,328	302,280	261,881
h) Maimon Copper	-	396,809	-	306,582
i) La Mireya	5,635	19,374	5,635	18,764
j) Ampliacion	422,740	921,073	422,740	467,291
j) Loma Hueca	107,980	20,752	67,940	8,804
k) Other	240	99,010	4,701	11,496
TOTAL	1,599,324	8,188,545	2,201,870	6,669,196

Everton Resources Inc.

(A development stage Company)

Notes to Consolidated Financial Statements (unaudited)

April 30, 2008

a) Opinaca, Quebec

On December 13, 2004, Everton signed an option agreement with Azimut Exploration ("Azimut") to earn up to 50% in 546 claims by spending \$4,800,000 in exploration work and by making cash payments of \$340,000 over 5 years. As at April 30, 2008, the remaining commitments are as follows:

	Cash Payments	Exploration Expenses
	\$	\$
On or before December 9, 2008	60,000	1,200,000
On or before December 9, 2009	60,000	1,300,000
	<u>120,000</u>	<u>2,500,000</u>

Under the same agreement, the Company has the option to increase its interest from 50% to 65% by paying an amount of \$40,000 a year to Azimut for the next five years and by incurring minimum work expenditures of \$200,000 a year for same period. This increase can only be acquired once the initial payments and minimum exploration expenses have been made.

b) Wildcat, Quebec

On January 25, 2005, Everton acquired a 100% interest in 579 claims grouped in 7 different blocks. These claims were acquired from an independent prospector for cash consideration of \$100,000 and the issuance of 300,000 shares of Everton for a value of \$120,000. In 2006, the Company increased its land package known as Wildcat by staking an additional 207 claims. These claims are also adjacent to the Eleonore gold discovery.

During the period ended April 30, 2008, the Company acquired by staking an additional 95 claims on the area known as Wildcat 8.

c) James Bay Area, Quebec

The mineral properties and deferred exploration expenses in James Bay Area as at April 30, 2008 relate to expenditures incurred on various properties held by the Company, acquired by map-staking.

d) Fosse du Labrador, Quebec

On February 11, 2008, the Company signed an agreement with Ressources Tectonic Inc. to acquire a 100% interest in the Kan property for cash consideration of \$70,000 over three years and by incurring \$310,000 in exploration expenses. On March 3, 2008, the Company paid Ressources Tectonic \$15,000.

Ressources Tectonic Inc. retains a 1.5% Net Smelter Return; half of this royalty (1%) can be bought by the Company at any time for \$750,000.

e) Cuance and Los Hojanchos, Dominican Republic

On August 26, 2003, Everton entered into an option agreement to earn up to 70% in three gold and base metals concessions, namely the Cuance, Los Hojanchos and Loma de Payabo concessions. On February 20, 2008, in an amendment to the initial agreement, Everton agreed to incur exploration expenditures totaling US \$1,170,000 by July 31, 2008 to earn a 50% interest in two of these properties, Cuance and Los Hojanchos (a minimum of US \$585,000 per concession). These concessions are subject to a 1.5% net smelter royalty, which can be acquired for CDN \$750,000. Upon earning the 50% interest, the Company can increase its interest to 70% by completing a bankable feasibility study within two years.

Everton Resources Inc.

(A development stage Company)

Notes to Consolidated Financial Statements (unaudited)

April 30, 2008

f) Loma El Mate, Dominican Republic

On December 8, 2003, the Company entered into an earn-in agreement with Linear Resources Inc. to acquire a 50% interest in the Loma El Mate Project in exchange for incurring exploration expenditures, issuing shares and paying an option fee. The Company acquired its 50% interest in 2006. In April 2007, the Company signed an option agreement with Linear to increase its interest in the concession to 65%, by incurring all additional expenditures on the concession to the completion of a bankable feasibility study.

g) Jobo Claro, Dominican Republic

In September 2005, Everton signed an agreement with a local concession holder to acquire a 100% interest in the Jobo Claro concession adjacent to the Pueblo Viejo Mine, in the Dominican Republic.

Everton had the exclusive option to evaluate the Jobo Claro project for an initial period of 180 days from the effective date of September 10, 2005, by paying US\$30,000 (CAD \$36,000). Further to an amendment to this agreement dated March 2006, Everton paid an additional amount of US\$30,000 (CAD \$34,000) to maintain its option to evaluate the Jobo Claro project, for up to 360 days from the effective date of September 10, 2005. Further to a second amendment dated September 10, 2006, Everton paid an additional amount of US\$20,000 (CAD \$22,000) to maintain its option to evaluate the Jobo Claro project until March 10, 2007. On March 10, 2007, the Company paid US\$180,000 (CAD \$210,000) to the local concession holder and acquired a 100% interest in the project.

h) Maimon Copper, Dominican Republic

In January 2005, five polymetallic concessions were granted to the Company, known as Miranda, Loma Blanca, Caballero, Los Naranjos and Tocoa. These five concessions are held 100% by the Company. In November 2005, the Company was granted another three polymetallic concessions, known as La Sidra, El Llano and La Yautia.

i) La Mireya, Dominican Republic

Under the terms of the agreement with GlobeStar Mining Corp., dated May 2006, Everton exchanged its 50% joint venture interest in the Corozal and Cercadillo nickel laterite concessions in return for GlobeStar's La Mireya gold concession. Everton retains a 1% net smelter royalty on Corozal and Cercadillo while GlobeStar retains a 2% net smelter royalty on La Mireya. GlobeStar and Everton also have the right to purchase half of the other's net smelter royalty at any time for US\$500,000 (CAD\$504,750).

j) Ampliacion and Loma Hueca, Dominican Republic

In April 2007, the Company obtained an option to acquire from Linear Gold Corp. ("Linear") an undivided 50% interest in the Ampliacion and Loma Hueca Concessions. The Company can earn its interest in the Ampliacion Concession by making cash payments totaling US\$700,000 (CAD\$706,650), work commitments of US\$2,500,000 (CAD\$2,523,750) and issuing 1,200,000 common shares over a three-year period. The Company can increase its interest in the concession to 65% by incurring all additional expenditures on the concession to the completion of a bankable feasibility study and by paying Linear US\$2,000,000 (CAD\$2,019,000) and issuing 1,000,000 additional common shares. The Company can earn its interest in the Loma Hueca Concession by making cash payments totaling US\$100,000 (CAD\$100,950), work commitments of US\$600,000 (CAD\$605,700) and issuing 200,000 common shares over a three-year period. The Company can increase its interest in the concession to 65% by incurring all additional expenditures on the concession to the completion of a bankable feasibility study and by paying Linear US\$250,000 (CAD\$252,375) and issuing 300,000 additional common shares. As at April 30, 2008, the Company had issued 250,000 shares (valued at \$330,250), made a cash payment of US\$275,000 (CAD\$200,470) and incurred \$941,825 of exploration expenses on both properties.

Everton Resources Inc.

(A development stage Company)

Notes to Consolidated Financial Statements (unaudited)

April 30, 2008

k) Other

Other property costs relate mostly to expenditures incurred on various concessions held in the Dominican Republic.

7. Related party transactions

Related party transactions not disclosed elsewhere in these financial statements are as follows:

Under an agreement between the Company and Majescor Resources Inc. (which shares common management), the Company pays the cost of shared salaries and benefits, rent and office expenses which are then reimbursed at cost by Majescor Resources Inc. During the three-month and six-month periods ended April 30, 2008, the cost of shared salaries and benefits were respectively \$27,888 and \$55,689 (\$52,052 and \$116,288 in 2007) and rent and office expenses were respectively \$10,599 and \$21,198 (\$8,280 and \$16,560 in 2007). Included in amounts due from related parties is nil (\$27,681 as at October 31, 2007) due from Majescor Resources Inc.

Under an agreement between the Company and Uranium World Energy Inc. (which shares common management), during the three-month and six-months periods ended April 30, 2008, the Company received a compensation of respectively \$16,250 and \$32,500 (\$16,250 and \$32,500 in 2007) from Uranium World Energy Inc. for administrative services provided by the Company's employees (bookkeeping, filings and other accounting services). Included in amounts due from related parties is \$11,375 (\$11,483 as at October 31, 2007) due from Uranium World Energy Inc.

Under an agreement effective October 1, 2007 between the Company and Mazorro Resources Inc. (which shares common management), the Company pays the cost of shared salaries and benefits, rent and office expenses which are then reimbursed at cost by Mazorro Resources Inc. During the three-month and six-month periods ended April 30, 2008, the cost of shared salaries and benefits were respectively \$23,451 and \$46,902 (2007 - nil) and rent and office expenses were respectively \$2,949 and \$5,898 (2007 - nil). Included in amounts due from related parties is \$8,849 (\$9,328 as at October 31, 2007) due from Mazorro Resources Inc.

Under an agreement between the Company and Adventure Gold Inc. (which shares common management), the Company pays the cost of shared salaries and benefits, rent and office expenses which are then reimbursed at cost by Adventure Gold Inc. During the three-month and six-month periods ended April 30, 2008, the cost of shared salaries and benefits were respectively \$23,424 and \$46,848 (2007 - nil) and rent and office expenses were respectively \$2,826 and \$5,652 (2007 - nil).

These transactions were measured at the exchange amount, that is the amount established and accepted by the parties and were conducted in the normal course of business.

The amounts due from related parties are without interest and terms of repayment.

Everton Resources Inc.

(A development stage Company)

Notes to Consolidated Financial Statements (unaudited)

April 30, 2008

8. Share capital**a) Authorized**

Unlimited number of common shares without par value.

Issued

	Three months Ended April 30, 2008		Six months Ended April 30, 2008	
	Number of shares	\$	Number of shares	\$
Balance, beginning and end of period	57,473,983	25,467,445	57,473,983	25,467,445
Shares issued on the exercise of options	208,850	41,770	208,850	41,770
Shares issued to increase participation in mineral	25,000	15,250	25,000	15,250
Adjustment to share issue costs	-	4,712	-	4,712
Balance - end of period	<u>57,707,833</u>	<u>25,529,177</u>	<u>57,707,833</u>	<u>25,529,177</u>

b) Warrants

As at April 30, 2008, the outstanding number of warrants exercisable into common shares is as follows:

	Three months ended April 30, 2008			Six months ended April 30, 2008		
	Number of warrants	Weighted average exercise price \$	Black- Scholes Value \$	Number of warrants	Weighted average exercise price \$	Black- Scholes Value \$
Balance, beginning and end of period	<u>5,975,000</u>	<u>1.61</u>	<u>3,616,176</u>	<u>5,975,000</u>	<u>1.61</u>	<u>3,616,176</u>

Description	Number	Exercise Price \$	Expiry Date
February 2007 private placement	5,000,000	1.65	August 20, 2008
Broker Warrants	<u>975,000</u>	<u>1.38</u>	<u>August 20, 2008</u>
	<u>5,975,000</u>		

Everton Resources Inc.

(A development stage Company)

Notes to Consolidated Financial Statements (unaudited)

April 30, 2008

c) Stock option plan

The following table sets out the activity in stock options:

	Three months Ended April 30, 2008		Six months Ended April 30, 2008	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Balance, beginning of period	4,963,850	0.65	4,963,850	0.65
Granted	50,000	0.75	50,000	0.75
Exercised	(208,850)	0.20	(208,850)	0.20
Balance, end of period	4,805,000	0.67	4,805,000	0.67

As at April 30, 2008, the following options were outstanding and exercisable:

Range of exercise prices	Number outstanding	Weighted average remaining Contractual life	Weighted average exercise price	Number exercisable
\$0.20-\$0.45	2,395,000	1.23	\$0.35	2,395,000
\$0.75-\$1.38	2,410,000	3.71	\$0.95	2,082,500
	<u>4,805,000</u>			<u>4,477,500</u>

The fair value of each option granted is estimated at the date of grant using the Black-Scholes option-pricing model with the following average assumptions:

	2008
Expected dividend yield	0.00%
Expected stock price volatility	90%
Risk-free interest rate	3.41%
Expected life of options	5 years
Weighted average fair value	\$0.53

The Company has recorded the following amounts as stock based compensation:

	Three months Ended April 30, 2008	Three months Ended April 30, 2007	Six months Ended April 30, 2008	Six months Ended April 30, 2007
	\$	\$	\$	\$
Management and consulting fees	61,658	53,102	178,172	106,204
Salaries and benefits	79,636	39,986	202,626	81,879
Total stock based compensation	<u>141,294</u>	<u>93,088</u>	<u>380,798</u>	<u>188,083</u>

Everton Resources Inc.

(A development stage Company)

Notes to Consolidated Financial Statements (unaudited)

April 30, 2008

9. Contributed surplus

Contributed surplus consists of the following components:

	Three months Ended April 30, 2008	Three months Ended April 30, 2007	Six months Ended April 30, 2008	Six months Ended April 30, 2007
	\$	\$	\$	\$
Balance, beginning of period	2,185,823	1,278,401	1,946,319	1,218,909
Stock-based compensation cost	141,294	93,088	380,798	188,083
Black-Scholes value of exercised options	-	-	-	(35,502)
Balance, end of period	<u>2,327,117</u>	<u>1,371,489</u>	<u>2,327,117</u>	<u>1,371,489</u>

10. Changes in non-cash working capital items

Changes in the non-cash working capital consists of the following items:

	Three months Ended April 30, 2008	Three months Ended April 30, 2007	Six months Ended April 30, 2008	Six months Ended April 30, 2007
	\$	\$	\$	\$
Accounts receivable	(105,542)	(23,754)	(184,041)	55,648
Amounts due from related parties	58,161	2,016	28,268	4,772
Prepaid expenses	(34,511)	(28,705)	(9,539)	(2,057)
Advances to operators	12,706	11,269	12,706	8,049
Accounts payable and accrued liabilities	(43,667)	(46,867)	7,041	(31,216)
Other current liabilities	20,134	-	20,134	-
Total changes in non-cash working capital	<u>(92,719)</u>	<u>(86,041)</u>	<u>(125,431)</u>	<u>35,196</u>

11. Segmented information

The Company has determined that it only operates in one segment, being acquisition, exploration and development of mineral properties for economically recoverable reserves. Long term assets segmented by geographical area are as follows:

	April 30, 2008	October 31, 2007
	\$	\$
Canada	7,163,068	4,990,408
Dominican Republic	5,075,159	3,931,609
Total	<u>12,238,227</u>	<u>8,922,017</u>

Everton Resources Inc.

(A development stage Company)

Notes to Consolidated Financial Statements (unaudited)

April 30, 2008

12. Contingent liability

On March 25, 2008, the Company received a notice from the optionor under the Miches option agreement, disputing the Company's termination of that agreement on September 21, 2007 after incurring approximately US\$340,000 (CA\$325,000) of a proposed second year work program of US\$600,000. The notice claims damages for wrongful termination in the amount of US\$600,000. The Company, with assistance from its legal advisors, is currently reviewing the merits of this claim.

13. Risk management, Financial instruments and Capital management

The Company's risk management is coordinated by the officers of the Company, in close-cooperation with the members of the board of directors.

The Company's financial instruments at April 30, 2008 consist of cash and cash equivalents, short term investments, marketable securities, receivables and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value. It is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

The Company has limited exposure to financial risk arising from fluctuations in foreign exchange rates (US dollars and Dominican Peso "DOP") and the degree of volatility of these rates. As at April 30, 2008, financial assets and liabilities in foreign currency represent cash, accounts receivable and prepaid expenses totaling DOP 635 266 (CA\$ 19,134). The amount of expenditures in foreign currency during the three-month period ended April 30, 2008 is approximately US\$201,540 (CA\$203,428) and DOP 5,738,864 (CA\$172,270).

The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business. Liquidity needs are monitored in various time bands, including 30-day projection, 180-day and 360-day lookout periods. Due to the nature of the activities of the Company, funding for long-term liquidity needs are dependent on the company's ability to obtain additional financing, through various means, including equity financing.

The Company's capital management objectives are to ensure its ability to continue as a going concern and to provide an adequate return to its shareholders. As long as the Company is in the exploration and development stages of its mining properties, it is not the intention of the Company to contract debt obligations to finance its work programs.

14. Future accounting standards

Going Concern – Inclusion of Guidelines in Section 1400, "General Standards of Financial Statement Presentation"

In June 2007, the Canadian Institute of Chartered Accountants modified Section 1400, "General Standards of Financial Statement Presentation", in order to require that management make an assessment of the Company's ability to continue as a going concern over a period which is at least, but not limited to, twelve months from the balance sheet date. These new requirements are effective for fiscal years beginning on or after January 1, 2008 and the Company will implement them as of November 1, 2008. The new requirements only address disclosures, and will have no impact on the Company's financial results.

Everton Resources Inc.

(A development stage Company)

Notes to Consolidated Financial Statements (unaudited)

April 30, 2008

15. Subsequent events

In May 2008, the Company signed an option agreement with Asesores Internacionales Especializados, S.A. (the "concession owner") to acquire a 100% interest in the Fresso concession located in the north-western Dominican Republic for a cash consideration of US \$35,000 (CAD \$35,333) to the concession owner for a one-year evaluation period. At the Company's request, this evaluation period can be extended for two additional six-month periods for a payment of US\$17,500 (CAD \$17,666) per period. Upon conclusion of the evaluation period, the Company can acquire 100% interest in the property for a final cash payment of US\$140,000 (CAD \$141,330). The concession owner is entitled to a 0.50% Net Smelter Return ("NSR"). The Company will have the option to acquire 50% of this NSR at any time for US\$250,000 (CAD \$252,375). The first payment of US\$35,000 (CAD \$34,591) was made on May 28, 2008.

On June 12, 2008, the Company issued 100,000 options to a director and 100,000 options to an employee at an exercise price of \$0.40.

16. Comparative figures

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