

SOLEX RESOURCES CORP.
(An Exploration Stage Company)

Consolidated Financial Statements
Three Months Ended September 30, 2008

<u>Index</u>	<u>Page</u>
Notice to Reader	1
Consolidated Financial Statements	
Consolidated Balance Sheets	2
Consolidated Statements of Operations and Deficit	3
Consolidated Statements of Comprehensive Loss	3
Consolidated Statements of Cash Flows	4
Notes to the Consolidated Financial Statements	5-15

420 – 609 Granville Street
Vancouver, BC V7Y 1G5
Tel: (604) 646 - 7210
Fax: (604) 688 - 8552

Contact: Tony Wood

NOTICE TO READER

These consolidated financial statements have been prepared by management of the Company. We have compiled the interim consolidated balance sheet of Solex Resources Corp. as at September 30, 2008 and the interim consolidated statements of operations and deficit, comprehensive loss and cash flows for the three months then ended. Independent accountants have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Consolidated Balance Sheets
September 30

	September 30, 2008	June 30, 2008
	Unaudited	Audited
		(note 3)
ASSETS		
Current		
Cash and cash equivalents	\$ 1,478,397	\$ 3,506,776
Accounts receivable	15,000	15,000
Other receivable	8,825	8,145
Marketable securities (note 8)	1,215,120	1,605,000
Prepaid expenses	58,825	73,613
	<u>2,776,167</u>	<u>5,208,534</u>
Property and equipment (note 10)	455,409	405,158
Resource properties (note 9)	12,515,450	11,153,172
	<u>\$ 15,747,026</u>	<u>\$ 16,766,864</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 384,200	\$ 598,775
SHAREHOLDERS' EQUITY		
Share capital (note 11)	21,658,371	21,658,371
Contributed surplus (note 11(c))	3,994,891	3,989,731
Accumulated other comprehensive income (note 12)	254,120	644,000
Deficit	(10,544,556)	(10,124,013)
	<u>15,362,826</u>	<u>16,168,089</u>
	<u>\$ 15,747,026</u>	<u>\$ 16,766,864</u>

Going-concern (note 2)
 Commitments (note 15)

APPROVED BY THE DIRECTORS:

"Jonathan Challis", President and Director

"Robert Boaz", Independent Chairman and Director

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Consolidated Statements of Operations and Deficit
For the three months ended September 30

	Three Months Ended September 30, 2008 Unaudited	Three Months Ended September 30, 2007 Unaudited
		(note 3)
Administrative costs		
Amortization	\$ 6,451	\$ 13,608
Bank charges and interest	3,278	2,742
Consulting fees (note 13)	75,314	93,343
Directors' fees	18,000	-
Filing and transfer agent fees	4,550	5,357
Foreign exchange, net	(10,017)	(9,317)
Investor relations	51,346	43,542
Management fees	56,250	56,250
Office, rent and miscellaneous	39,624	43,404
Professional fees	53,956	76,346
Stock-based compensation (note 11(e))	5,160	74,150
Travel	28,088	3,990
Wages and salaries	105,004	106,019
	<hr/>	<hr/>
Loss before other items	437,004	509,434
Other items		
Interest income	(16,311)	(111,406)
Investment income	(150)	-
	<hr/>	<hr/>
Net loss for the period	420,543	398,028
Deficit, beginning of period	<u>10,124,013</u>	<u>7,053,358</u>
Deficit, end of period	\$ <u>10,544,556</u>	\$ <u>7,451,386</u>
Basic and diluted loss per share	\$ <u>0.01</u>	\$ <u>0.01</u>
Weighted average number of common shares outstanding	<u>57,559,199</u>	<u>57,143,003</u>

Consolidated Statements of Comprehensive Loss
For the three months ended September 30

	Three Months Ended September 30, 2008 Unaudited	Three Months Ended September 30, 2007 Unaudited
		(note 3)
Net loss for the period	\$ 420,543	\$ 398,028
Available-for-sale financial assets:		
Unrealized loss (note 12)	389,880	172,500
	<hr/>	<hr/>
Total comprehensive loss for the period	\$ <u>810,423</u>	\$ <u>570,528</u>

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
For the three months ended September 30

	Three Months Ended September 30, 2008 Unaudited	Three Months Ended September 30, 2007 Unaudited (note 3)
Operating activities		
Net loss for the period	\$ (420,543)	\$ (398,028)
Add items not involving cash		
Amortization	6,451	13,608
Stock-based compensation	5,160	74,150
Foreign exchange loss/(gain)	(5,509)	5,730
	<u>(414,441)</u>	<u>(304,540)</u>
Changes in non-cash working capital items (operations)		
Other receivables	(680)	8,965
Prepaid expenses	14,788	(14,171)
Accounts payable and accrued liabilities	1,545	(262,413)
	<u>(398,788)</u>	<u>(572,159)</u>
Cash used in operating activities		
Financing activities		
Issue of common shares	-	94,000
	<u>-</u>	<u>94,000</u>
Cash provided by financing activities		
Investing activities		
Resource property expenditures	(1,578,400)	(1,555,885)
Acquisition of property and equipment, net	(56,702)	(5,611)
	<u>(1,635,102)</u>	<u>(1,561,496)</u>
Cash used in investing activities		
Effect of exchange rate changes on cash	5,511	(6,281)
	<u>(2,028,379)</u>	<u>(2,045,936)</u>
Increase (decrease) in cash and cash equivalents		
Cash and cash equivalents, beginning of period	<u>3,506,776</u>	<u>11,285,983</u>
Cash and cash equivalents, end of period	\$ <u>1,478,397</u>	\$ <u>9,240,047</u>
Cash	\$ 610,883	\$ 847,953
Cash equivalents	<u>867,514</u>	<u>8,392,094</u>
	\$ <u>1,478,397</u>	\$ <u>9,240,047</u>

Supplemental disclosure with respect to cash flows (note 14)

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the three months ended September 30, 2008

1. NATURE AND CONTINUANCE OF OPERATIONS

Solex Resources Corp. (the "Company") is an exploration stage company engaged in the acquisition, exploration and development of resource properties.

2. GOING-CONCERN

These consolidated financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business.

The recovery of amounts shown as acquisition costs of resource properties and the related deferred exploration costs for resource properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development, and upon future profitable operations from the properties or proceeds from the disposition thereof.

The Company's ability to continue as a going-concern is dependent on the Company being able to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its resource interests, the attainment of profitable mining operations, and or the receipt of proceeds from the disposition of its resource property interests. These consolidated financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary, should the Company be unable to continue as a going-concern.

As of September 30, 2008, the Company has working capital of \$2,391,967 (2008 - \$4,609,759). The Company expects to fund most of its operations for the coming year from its current working capital and if necessary any shortfalls will be financed through private placements. Consistent with its business plan, the Company will be actively seeking to both joint venture and/or dispose of projects. Management believes it will be able to raise equity capital as required in the long term, but recognizes there will be risks involved that may be beyond their control. The Company intends to continue to use various strategies to minimize its dependence on equity capital, including the securing of joint venture partners where appropriate.

3. BASIS OF PRESENTATION

The consolidated financial statements include the accounts of the Company and its wholly-owned integrated subsidiaries, Solex Del Peru Sociedad Anonima Cerrada ("Solex Del Peru"), incorporated in Peru on October 25, 2005, and Minera Macusani Sociedad Anonima Cerrada ("Minera Macusani"), incorporated in Peru on April 2, 2008.

All intercompany balances and transactions with Solex Del Peru and Minera Macusani have been eliminated upon consolidation.

A portion of the Company's exploration activities is conducted jointly with others when the Company enters into agreements that provide for specified percentage interests in mineral properties. Joint venture accounting, which reflects the Company's proportionate interest in mineral properties, is applied by the Company only when the parties enter into formal comprehensive agreements for ownership and mining participation terms.

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

4. ADOPTION OF NEW ACCOUNTING POLICIES

(a) Capital Disclosures

Effective July 1, 2008, the Company adopted CICA Handbook Section 1535, "Capital Disclosures," which requires disclosure of an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital and whether the entity has complied with any capital requirements and, if it has not complied, the consequences of such non-compliance. The adoption of this standard resulted in the additional disclosures as outlined in Note 7.

(b) Financial Instruments

Effective July 1, 2008, the Company adopted CICA Handbook Section 3862, "Financial Instruments – Disclosures" and CICA Handbook Section 3863, "Financial Instruments – Presentation". These Sections require entities to disclose quantitative and qualitative information in their financial statements that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and management's objectives, policies and procedures for managing such risks. Disclosures required by these standards are included in Note 6.

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the three months ended September 30, 2008

4. ADOPTION OF NEW ACCOUNTING POLICIES (Continued)

(c) General Standards of Financial Statement Presentation

Effective July 1, 2008, the Company adopted CICA Handbook Section 1400, "General Standards of Financial Statement Presentation", which was amended to include a requirement for management to assess and disclose the Company's ability to continue as a going concern. The adoption of this standard did not have an effect on the Company's financial statement presentation.

5. FUTURE ACCOUNTING CHANGES

(a) Goodwill and Intangible Assets

In February 2008, the CICA issued Handbook Section 3064, "Goodwill and Intangible Assets", replacing Section 3062, "Goodwill and Other Intangible Assets", and Section 3450, "Research and Development Costs". This section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062.

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

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements beginning on or after July 1, 2011. Implementation of the change will require the restatement for comparative purposes of amounts reported by the Company for the year ended June 30, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

6. FINANCIAL INSTRUMENTS

(a) Fair value

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, other receivable, marketable securities, accounts payable and accrued liabilities. The fair values of financial instruments at September 30, 2008 and June 30, 2008 are summarized as follows:

	September 30, 2008		June 30, 2008	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Held for trading				
Cash and cash equivalents	\$ 1,487,397	\$ 1,487,397	\$ 3,506,776	\$ 3,506,776
Accounts receivable	15,000	15,000	15,000	15,000
Other receivable	8,825	8,825	8,145	8,145
Available for sale				
Marketable securities	1,215,120	1,215,120	1,605,000	1,605,000
Financial liabilities				
Accounts payable and accrued liabilities	384,200	384,200	598,775	598,775

The carrying value of cash and equivalents, accounts receivable, other receivable and accounts payables and accrued liabilities approximates their fair values due to their immediate or short-term maturity. Marketable securities are recorded at fair value based on the quoted market prices at the balance sheet date with unrealized gains and losses recorded in accumulated other comprehensive income. Permanent declines in investment value are recognized as write-downs through the Statement of Operations. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, foreign currency or credit risks arising from these financial instruments.

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the three months ended September 30, 2008

6. FINANCIAL INSTRUMENTS (Continued)

- (b) Interest rate risk
The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary current assets and current liabilities.

As of September 30, 2008, the Company's cash equivalents had annual yields 2.958% and maturity dates of two months.
- (c) Credit risk
The Company is exposed to credit risk with respect to its cash and cash equivalents and accounts receivable; however, risk on cash and cash equivalents is mitigated by placing it with major Canadian financial institutions.

As of September 30, 2008, the Company had cash holdings of US \$196,774 and Peruvian Soles 4,230.
- (d) Currency risk
The Company is exposed to currency risk as the Company's exploration expenditures are incurred primarily in US dollars and management does not utilize derivatives or apply other techniques to manage the foreign currency risk.
- (e) Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise the funds required through future equity financings, asset sales or exploration option agreements, or a combination thereof. The Company has no regular cash flow from its operating activities. The Company manages its liquidity risk by forecasting cash flow requirements for its planned exploration and corporate activities and anticipating investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of annual budgets and significant expenditures and commitments. Failure to realize additional funding, as required, could result in the delay or indefinite postponement of further exploration and development of the Company's properties.
- (f) Equity market risk
The Company is exposed to equity price risk arising from its investments, which are classified as available for sale. The Company plans to sell its investments as market conditions permit, or as is required to finance the Company's operations from time-to-time.
- (g) Sensitivity analysis
The Company has shares in Eldorado Gold Corporation ("Eldorado"), a company, publicly traded on the TSX and AMEX stock exchanges. This investment is marked to fair value at each reporting period, with a corresponding adjustment to other comprehensive earnings. The value of this investment is a significant component of working capital. Based on Management's knowledge and experience of the financial markets, the Company believes that a movement of Eldorado's share price of +/- 20% over a twelve month period is "reasonably possible", which would impact comprehensive earnings by \$196,000.

7. CAPITAL MANAGEMENT

The Company's capital management objective is to maximize potential investment returns to its equity stakeholders within the context of the relevant opportunities and risks associated with the Company's operating segment.

The inherent nature of mineral exploration involves a high degree of "discovery" risk. Consequently there is substantial uncertainty as to whether any particular project will generate positive cash flows in the future. Therefore, Management funds its exploration activity primarily by issuing share capital, rather than using other capital sources that require fixed repayments of principal and interest. It considers both Share Capital and Working Capital as components of its capital base. The Company is not subject to any externally imposed capital requirements.

The Company manages its capital base by quarterly and annual cash flows forecasts. The timing and extent of both program implementation and financings are determined by Managements evaluation of economic factors at the time, such as commodity prices, interest rates and foreign exchange, and non-economic factors such as the expected impact that completion of a given program may have on the cost of capital.

As at September 30, 2008, Share Capital was \$ 21,658,371, and Working Capital was \$ 2,391,967.

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the three months ended September 30, 2008

8. MARKETABLE SECURITIES

Eldorado Gold Corporation	September 30, 2008	June 30, 2008
183,000 shares (2008 – 183,000 shares)	\$ 961,000	\$ 961,000
Accumulated other comprehensive income/loss (note 12)	254,120	644,000
	\$ 1,215,120	\$ 1,605,000

On July 16, 2008, Eldorado acquired 95% of Frontier Pacific Mining Corporation's outstanding common shares. As a result, the Company received 0.122 Eldorado shares plus \$0.0001 in cash for each Frontier Pacific share.

Subsequent to the period end, the Company sold 45,000 Eldorado shares for total proceeds of \$272,067. As of November 26, 2008, the remaining shares have a fair value of \$949,440.

9. RESOURCE PROPERTIES

- (a) Princesa-Pilunani Belt properties, south-eastern Peru

The Princesa-Pilunani Belt properties consist of 19 contiguous or closely adjacent claims totalling 13,900 hectares, containing the following:

Princesa-Pilunani Belt Property Claim List		
Pilunani claim	One claim 1,000 hectares	Acquired by agreement (note 9(a)(i))
Princesa claims	Five claims 2,500 hectares	Acquired by staking (note 9(a)(ii))
Other Princesa-Pilunani belt properties	Thirteen claims 10,400 hectares	Acquired by staking

- (i) Pursuant to an acquisition agreement dated April 26, 2004, the Company purchased a 100% undivided interest in a 1,000-hectare mineral property, located in the Puno Mining District, south-eastern Peru. As consideration, the Company paid US \$50,000 cash and issued 5,000,000 Series P special warrants subsequently converted to 5,000,000 common shares.
- (ii) In August 2005, the Company increased its holdings in the Pilunani area by staking the Princesa properties in an area northwest of the main Pilunani claim.
- (iii) In August 2005, the Company acquired an option to own up to a 100% interest in the Asnune and Carcuta properties totalling 1,000 hectares with option payments of \$195,000 and 3,000,000 common shares payable over five years. In June 2007, management decided not to proceed further with the option agreements, resulting in a write-off of \$338,952, including \$159,000 attributable to the issuance of 300,000 shares.

- (b) Cullquimayo properties, southern Peru

The Cullquimayo properties consist of 13 claims, totalling 8,400 hectares.

Pursuant to a May 2005 agreement, three properties totalling 1,600 hectares were acquired under an option requiring an initial payment of US \$5,000 per property (paid), payments of US \$10,000 per property in years two (paid) and three (paid), and US \$50,000 per property in year four.

The other ten properties totalling 6,800 hectares were acquired by staking.

With regard to the three Cullquimayo claims acquired under an option agreement, the Company deposited the requisite final option payment in trust and made official notification to the Optionor of the payment by the due date. Due to the Optionor's continued unwillingness to conclude on the transaction, the Company, subsequent to the period end, has decided not to proceed with this non core project. The impact is that the final \$150,000 option payments will not be made and accumulated deferred exploration costs of \$ 387,166 will be written-off.

- (c) Macusani East properties, southern Peru

Macusani East joint ventured properties consist of 66 claims, totalling 43,320 hectares. Macusani East wholly owned properties consist of 6 claims, totalling 4,500 hectares.

On March 21, 2005, the Company announced that it had signed a letter of intent with Frontier Pacific Mining Corp. ("Frontier Pacific") whereby Frontier Pacific can earn a 50% interest in the 66 joint ventured claims for periodic payments totalling US \$50,000 cash, 1,500,000 shares and US \$4,000,000 in expenditures over a five-year period. Receipt of consideration is as follows:

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the three months ended September 30, 2008

9. RESOURCE PROPERTIES (Continued)

(c) Macusani East properties, southern Peru (Continued)

Joint Venture Earn-in Schedule

Time	Payments	Expenditures (US \$)	Earn-in
	200,000 shares *		
April 26, 2005	and US \$50,000 *	N/A	
April 26, 2006	250,000 shares *	\$ 400,000 **	
April 26, 2007	300,000 shares *	350,000 **	
April 26, 2008	350,000 shares *	500,000 **	
April 26, 2009	400,000 shares *	900,000 **	
April 26, 2010	Nil	1,850,000 **	
Total	1,500,000 shares	\$ 4,000,000	50% ***

*Received ** Expenditure completed *** Interest earned

On April 26, 2007, the Company received 300,000 of Frontier Pacific's shares at a fair value of \$225,000 as an earn-in payment. After applying \$69,255 in exploration expenditures incurred by the Company, the Company realized a gain on property disposal of \$155,745.

To fulfil its other earn-in requirements, on November 1, 2007, Frontier Pacific issued the remaining 750,000 shares to the Company. These shares were fair valued at \$525,000 and were recorded as a property cost recovery.

On July 16, 2008, Eldorado acquired 95% of Frontier Pacific's outstanding common shares and became the Company's new joint venture partner at Macusani East.

(d) Macusani West, southern Peru

The Macusani West properties consist of 67 claims, totalling 56,500 hectares.

Due to their distinct locations and geological/logistical considerations, the projects have been separated into:

- Macusani West (54 claims 45,900 hectares)
- Macusani South Central (6 claims 5,300 hectares)
- Macusani South (7 claims 5,300 hectares)

(e) Picotani properties, southern Peru

The Picotani properties lie to the east of the Princesa-Pilunani Belt and consist of 8 claims totalling 6,606 hectares.

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the three months ended September 30, 2008

9. RESOURCE PROPERTIES (Continued)

(f) Resource property expenditures and balances for the three months ended September 30, 2008:

	Macusani East	Macusani West	Macusani South	Picotani	Pilunani – Princesa Belt	Cullquimayo	Totals
Balance, June 30, 2008	\$ 2,488,946	\$ 1,440,742	\$ 1,297,942	\$ 631,047	\$ 4,913,541	\$ 380,954	\$ 11,153,172
Deferred Exploration Costs							
Geology	117,370	30,506	150,589	(10,590)	14,218	-	302,093
Geophysics	21,969	-	-	-	-	-	21,969
Metallurgy	-	-	49,809	-	-	-	49,809
Assays	6,089	-	6,886	-	2,477	-	15,452
Drillings	114,384	-	214,377	-	-	-	328,761
Logistics	55,498	18,339	146,305	8,503	50,815	-	279,460
Project management	8,864	571	24,908	109	8,392	-	42,844
Community relations	6,698	13,758	50,132	5,241	9,073	871	85,773
Fees, permits and licenses	-	3,472	-	-	-	-	3,472
Legal and accounting	13,885	9,990	1,800	895	1,790	5,148	33,508
Travel	7,646	6,353	16,392	289	1,309	193	32,182
Amortization	-	711	9,723	519	43	-	10,996
Total Spending	352,403	83,700	670,921	4,966	88,117	6,212	1,206,319
Advances for exploration, beginning of period	(157,284)	-	(167,994)	-	-	-	(325,278)
Advances for exploration, end of period	91,876	-	172,514	-	-	-	264,390
	2,775,941	1,524,442	1,973,383	636,013	5,001,658	387,166	12,298,603
VAT							216,847
Balance, September 30, 2008							\$12,515,450

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the three months ended September 30, 2008

9. RESOURCE PROPERTIES (Continued)

Resource property expenditures and balances for the year ended June 30, 2008:

	Macusani East	Macusani West	Macusani South	Picotani	Pilunani – Princesa Belt	Cullquimayo	Totals
Balance, June 30, 2007	\$ -	\$ 510,035	\$ 201,777	\$ 177,527	\$ 4,181,897	\$ 331,079	\$ 5,402,315
Deferred Exploration Costs							
Geology	577,860	437,178	466,415	134,491	327,748	-	1,943,692
Geophysics	61,352	535	103,652	-	1,344	-	166,883
Assays	68,167	6,045	20,149	9,398	19,318	-	123,077
Drillings	1,411,276	-	-	-	-	-	1,411,276
Logistics	278,739	78,202	199,894	129,870	169,482	4,928	861,115
Project management	148,776	35,047	50,869	21,142	18,430	1,433	275,697
Community relations	57,630	61,415	76,463	67,641	45,118	1,572	309,839
Fees, permits and licenses	148,403	155,736	15,925	19,987	42,233	31,800	414,084
Legal and accounting	67,766	1,094	2,708	5,214	5,458	1,434	83,674
Travel	36,693	36,023	44,879	8,499	10,109	704	136,907
Total Spending	2,856,662	811,275	980,954	396,242	639,240	41,871	5,726,244
Cost recovery	(525,000)	-	-	-	-	-	(525,000)
Advances for exploration, beginning of year	-	-	(201,777)	-	-	-	(201,777)
Advances for exploration, end of year	157,284	-	167,994	-	-	-	325,278
	2,488,946	1,321,310	1,148,948	573,769	4,821,137	372,950	10,727,060
VAT							426,112
Balance, June 30, 2008							\$11,153,172

10. PROPERTY AND EQUIPMENT

	September 30, 2008			June 30, 2008		
	Cost	Accumulated Amortization	Net	Cost	Accumulated Amortization	Net
Furniture and fixtures	\$ 83,834	\$ 18,620	\$ 65,214	\$ 84,152	\$ 15,995	\$ 68,157
Computer equipment	33,346	14,051	19,295	32,360	12,564	19,796
Field equipment	379,395	53,577	325,818	343,452	41,709	301,743
Computer software	4,079	3,518	561	4,079	3,403	676
Leasehold improvements	48,998	4,477	44,521	18,120	3,334	14,786
	\$ 549,652	\$ 94,243	\$ 455,409	\$ 482,163	\$ 77,005	\$ 405,158

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the three months ended September 30, 2008

11. SHARE CAPITAL

- (a) Authorized
 Unlimited common shares without par value.
- (b) Issued

	September 30, 2008		June 30, 2008	
	Number of Shares	Amount	Number of Shares	Amount
Balance, beginning of period	57,559,199	\$ 21,658,371	57,034,199	\$ 21,331,717
Shares issued from exercise of options	-	-	525,000	220,000
Reclassification of contributed surplus on exercise of options	-	-	-	106,654
Balance, end of period	57,559,199	\$ 21,658,371	57,559,199	\$ 21,658,371

- (c) Contributed surplus

Balance, June 30, 2007	\$ 2,917,702
Stock-based compensation	1,178,683
Reclassification of contributed surplus on exercise of options	(106,654)
Balance, June 30, 2008	3,989,731
Stock-based compensation	5,160
Balance, September 30, 2008	\$ 3,994,891

- (d) Warrants

The following summarizes the warrants that have been issued, exercised and expired during the three months ended September 30, 2008 and the year ended June 30 2008:

	Number of Warrants	Weighted Average Exercise Price
Balance, June 30, 2007	5,040,000	\$ 1.55
Expired	(540,000)	\$ 1.20
Balance, June 30, 2008	4,500,000	\$ 1.60
Expired	(4,500,000)	\$ 1.60
Balance, September 30, 2008	-	\$ -

As of September 30, 2008 and June 30, 2008, the Company had share purchase warrants outstanding as follows:

Expiry Date	Exercise Price	Number of Warrants	
		September 30, 2008	June 30, 2008
August 27, 2008	\$ 1.60	-	4,500,000
		-	4,500,000

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the three months ended September 30, 2008

11. SHARE CAPITAL (Continued)

(e) Stock options

The following summarizes the options that have been granted, exercised, cancelled or expired during the three months ended September 30, 2008 and the year ended June 30, 2008:

	Number of Options	Weighted Average Exercise Price Per Share
Balance, June 30, 2007	4,630,000	\$ 0.96
Granted	2,995,000	\$ 0.44
Exercised	(525,000)	\$ 0.42
Expired	(980,000)	\$ 0.49
Cancelled	(1,215,000)	\$ 0.87
Balance, June 30, 2008	4,905,000	\$ 0.81
Expired	(35,000)	\$ 0.46
Balance, September 30, 2008	4,870,000	\$ 0.82

Other than investor relations consultants, whose options vest in four equal instalments over the first 12 months, stock options vest 100% upon grant.

Stock-based awards are measured and recognized using a fair value based method. During the three months ended September 30, the last 25% of the options granted in 2008 to an investor relations consultant vested, \$5,160 in stock-based compensation expense was recognized.

The fair value of each option grant is calculated using the following weighted average assumptions:

	2008
Expected life (years)	5
Interest rate	3.93%
Volatility	114%
Dividend yield	0.00%

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.

As of September 30, 2008, the following share purchase options were outstanding:

Expiry Date	Exercise Price	Number of Options		Weighted Average Remaining Contractual Life (in years)
		September 30, 2008	June 30, 2008	
August 11, 2008	\$ 0.46	-	35,000	-
October 31, 2008	\$ 0.58	200,000	200,000	0.08
February 19, 2009	\$ 1.20	150,000	150,000	0.39
February 19, 2009	\$ 1.27	150,000	150,000	0.39
March 7, 2009	\$ 1.35	1,245,000	1,245,000	0.43
March 13, 2009	\$ 1.35	250,000	250,000	0.45
March 27, 2009	\$ 1.35	250,000	250,000	0.49
October 8, 2012	\$ 0.50	1,715,000	1,715,000	4.02
May 20, 2013	\$ 0.30	910,000	910,000	4.64
Total options outstanding	\$ 0.82	4,870,000	4,905,000	2.47
Total options exercisable	\$ 0.82	4,870,000	4,892,500	2.47

On October 31, 2008, 200,000 options at an exercise price of \$0.58 per share expired.

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the three months ended September 30, 2008

11. SHARE CAPITAL (Continued)

(f) Escrow shares

A total of 4,550,000 common shares were subject to an escrow agreement signed in 2004. Shares were subject to a time release over a three-year period as follows:

- (i) 10% - October 28, 2004 (released);
- (ii) 15% - 6 months after October 28, 2004 (released);
- (iii) 15% - 12 months after October 28, 2004 (or October 28, 2005) (released);
- (iv) 15% - 18 months after October 28, 2004 (or April 28, 2006) (released);
- (v) 15% - 24 months after October 28, 2004 (or October 28, 2006) (released);
- (vi) 15% - 30 months after October 28, 2004 (or April 28, 2007) (released); and
- (vii) 15% - 36 months after October 28, 2004 (or October 28, 2007) (released)

On October 26, 2006, there were an additional 157,500 escrow shares added from an exercise of warrants.

- (i) 33% - October 28, 2006 (released);
- (ii) 33% - 6 months after October 28, 2006 (or April 28, 2007) (released); and
- (iii) 33% - 12 months after October 28, 2006 (or October 28, 2007) (released)

As of June 30, 2008, all 4,707,500 shares in escrow have been released.

12. ACCUMULATED OTHER COMPREHENSIVE INCOME

	Three months ended September 30, 2008	Three months ended September 30, 2007
Available-for-sale financial assets:		
Balance, beginning of period	\$ 644,000	\$ -
Adjustment to opening balance due to the new accounting policies adopted regarding financial instruments	-	171,500
Unrealized gain/(loss)	(389,880)	(172,500)
Balance, end of period	\$ 254,120	\$ (1,000)

13. RELATED PARTY TRANSACTIONS

The Company incurred a charge during 2007 from an officer of the Company and a company in which the officer acts as a manager of the company. The charge was measured by the exchange amount, which is the amount agreed upon by the transacting parties. No charge was incurred in the latest reporting period.

	September 30, 2008	September 30, 2007
Consulting fees paid to Nexus Consultants Inc., a company controlled by an officer	\$ -	\$ 21,250

14. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Investing and financing activities that do not affect cash flows are excluded from the statements of cash flows.

During the three months ended September 30, 2008, the following transaction was excluded:

- (a) \$191,246 in accounts payable relating to resource property expenditures.

During the three months ended September 30, 2007, the following transactions were excluded:

- (b) \$42,761 accounts payable relating to resource property expenditures; and
- (c) \$259,372 accrued liabilities to Frontier Pacific on 50% joint venture operation expenditures.

SOLEX RESOURCES CORP.
(An Exploration Stage Company)
Notes to the Consolidated Financial Statements
For the three months ended September 30, 2008

15. COMMITMENTS

The Company is committed to pay monthly office lease payments of \$5,408 from May 1, 2007 to April 30, 2009, \$5,599 from May 1, 2009 to April 30, 2011, and \$5,814 from May 1, 2011 to April 30, 2013. The future commitment is as follows:

2009	\$	65,278
2010	\$	67,188
2011	\$	67,618
2012	\$	69,768
2013	\$	58,140

16. SEGMENTED DISCLOSURE

The following geographic data references assets based on their physical location. The Company has interests in Peru and Canada:

	September 30, 2008		
	Peru	Canada	Total
Current assets	\$ 173,092	\$ 2,603,075	\$ 2,776,167
Resource properties	12,515,450	-	12,515,450
Property and equipment	368,939	86,470	455,409
	\$ 13,057,481	\$ 2,689,545	\$ 15,747,026

	June 30, 2008		
	Peru	Canada	Total
Current assets	\$ 203,420	\$ 5,005,114	\$ 5,208,534
Resource properties	11,153,172	-	11,153,172
Property and equipment	312,850	92,308	405,158
	\$ 11,669,442	\$ 5,097,422	\$ 16,766,864