

Consolidated Financial Statements of

DELORO RESOURCES LTD.

Third Quarter ended March 31, 2008 unaudited and
Year ended June 30, 2007 Audited Statements

The Financial Statements for the Second Quarter period ended Dec. 31, 2007 have been prepared by management and have not been reviewed by the Auditors.

DELORO RESOURCES LTD.

Consolidated Balance Sheets, Unaudited Third Quarter and nine months statements ended March 31, 2008 and year ended June 30, 2007 audited statements

	Nine Months March 31 2008	Audited June 30 2007
Assets		
Current asset:		
Cash	\$ 255,542	521,402
Accounts receivable	126,510	4,209
GST receivable	55,720	-
Subscription receivable	-	-
Prepaid expenses and fees	14,300	14,300
Total Current Assets	\$ 452,072	539,911
Fixed Assets		
Website	32,132	20,000
Inventory 1000 barrel Tanks	120,000	120,000
Compressor facility	70,348	-
Kindersley pipeline	93,262	-
Kindersley well 1-04	288,450	-
Kindersley well 11-4	456,753	-
Kindersley 9-34-25-W3M	3,483	-
Wilkie field	1,431,538	1,509,861
Total fixed assets	\$ 2,495,966	\$ 1,649,861
TOTAL ASSETS	\$ 2,948,038	\$ 2,189,772
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 53,313	\$ 51,021
Accounts payable GST	6,494	-
Due to a director	-	-
TOTAL LIABILITIES	\$ 59,807	\$ 51,021
Shareholders' equity		
Share capital (note 8)	\$ 5,082,244	\$ 3,964,163
Subscription receipt	(5,000)	(5,000)
Additional paid in capital	360,244	360,244
Retained earnings	(2,200,656)	(1,831,595)
Net income	(348,601)	(349,061)
Total Equity	2,888,231	2,138,751
Total Liabilities & Equity	\$ 2,948,038	\$ 2,189,772

See accompanying notes to consolidated financial statements.

Approved on behalf of the Board:

Signed "Louis Lees", President, CEO, CFO

Signed "Gerald Mackie", Secretary

DELORO RESOURCES LTD.

Consolidated Statement of Loss and Deficit, Unaudited Third Quarter and Nine month statement
 Ended March 31, 2008 and year ended June 30, 2007 audited statements

	THREE MONTHS ENDED MARCH 31,		NINE MONTHS ENDED MARCH 31,	
	2008	2007	2008	2007
Revenue				
Water disposal gross revenue	-	83,571	-	300,533
Operating expenses	-	(16,292)	-	(74,779)
Net operating revenue	-	67,279	-	225,754
INCOME				
5% HANDLING COST	3,782	-	3,782	-
Bank interest income	2,862	-	8,460	-
Total income	6,644	-	12,242	-
Cost of goods sold				
Kindersley well 1-04 revenue	92,347	-	96,586	-
Kindersley well 11-4 revenue	27,837	-	31,178	-
Operating expenses well 1-04	(15,878)	-	(18,974)	-
Operating expenses well 11-4	(2,392)	-	(4,075)	-
Net cost of goods sold	101,914	-	104,715	-
Gross Profits	108,558	67,279	116,957	225,754
Compressor lease	(1,600)	-	(64,600)	-
Lease rental	(12,645)	-	(22,492)	-
Net operating revenue	94,313	67,279	29,864	225,754
General expenses				
Advertising and promotion	-	-	23,320	-
Management fees	18,000	18,000	54,000	54,000
General administration	13,917	8,666	29,284	35,200
Legal fees	29,624	-	53,259	24,900
Transfer agent	2,715	1,082	10,815	4,382
Listing and filing fees	16,036	6,067	25,220	13,658
Travel	6,109	6,173	12,604	12,913
Consulting fees	12,500	50,000	77,500	115,000
Technical reports	9,677	-	15,278	-
Geological studies	7,500	7,500	22,500	22,500
Audit fees	-	-	9,235	9,510
Bookkeeping and secretarial	7,500	7,500	22,500	2,000
Office rent	7,650	6,150	22,950	17,700
Total expenses	(131,228)	(111,138)	(378,465)	(311,763)
Net income (loss)	(36,915)	(43,859)	(348,601)	(86,009)
Less interest income (expense)	-	(2,404)	-	(8,760)
Net loss for period	(36,915)	(41,455)	(348,601)	(77,249)
Deficit, at beginning of period	(2,492,342)	(1,867,389)	(2,180,656)	(1,831,595)
Deficit, end of second quarter period	(2,529,257)	(1,908,844)	(2,529,252)	(1,908,844)
Net loss per share	\$ 0.002	\$ 0.00	\$ 0.002	\$ 0.00

See accompanying notes to interim consolidated financial statements.

DELORO RESOURCES LTD.

Consolidated Statements of Cash Flows (unaudited)

Third Quarter and Nine Months ended March 31, 2008 and December 31, 2007.

	THREE MONTHS ENDED MARCH 31		NINE MONTHS ENDED MARCH 31	
	2008	2007	2008	2007
Operating activities				
Net income	\$ (36,914)	\$ (41,456)	\$ (348,601)	\$ (77,248)
Adjustments to reconcile net income To net cash provided by operations				
Accounts receivable	(86,560)	(37,279)	(126,510)	(144,360)
GST receivable	(11,766)	244	(51,511)	3,744
Web site	(120)	-	(120)	-
Accounts payable	21,322	(2,069)	2,293	117,643
Prepaid expenses	(6,800)	(1,200)	(20,000)	(12,500)
GST payable	6,115	-	6,494	-
Net cash provided by operations	(114,723)	(81,760)	(537,955)	(112,721)
Investing				
Developing web site	(8,112)	-	(12,013)	-
Salt water well facility	-	-	-	(825,000)
Salt water disposal well	-	-	-	(520,453)
Inventory--1000 barrel tanks	-	-	-	(120,000)
Investment in Ontic Energy	-	-	-	1,232,000
Cold Lake project	-	-	-	(320,788)
Kindersley 1-04	(29,302)	-	(288,450)	-
Kindersley 11-4	(16,023)	-	(428,430)	-
Kindersley compressor	(64,961)	-	(70,347)	-
Pipeline	36,746	-	(43,262)	-
Kindersley 9-24-25W3M	(3,483)	-	(3,483)	-
Net cash provided by Investing Activities	(85,135)	-	(845,985)	(554,241)
Financing				
Due to a director	-	-	-	(2,224)
Share capital	89,260	118,500	1,118,080	620,250
Net Cash Provided by Financing Activities	89,260	118,500	1,118,080	618,026
Net Cash Increase (decrease) for quarter	(110,598)	36,740	(265,860)	(48,936)
Cash, beginning of Quarter	366,139	373,214	521,401	458,890
Cash, end of Quarter	\$ 255,541	\$ 409,954	\$ 255,541	\$ 409,954

See accompanying notes to interim consolidated financial statements.

DELORO RESOURCES LTD.

Notes to Consolidated Financial Statements—
Unaudited, Third quarter, Nine months ended March 31, 2008.

Deloro Resources Ltd. is engaged in the acquisition, exploration and development of oil and gas properties in Canada, primarily in the Province of Saskatchewan.

1. FUTURE OPERATIONS

The Corporation has started generating cash from its operations, in the last half of December 2007. Operations are currently in the formative stage and will require additional financing during the next fiscal year to continue to acquire, develop and determine the commercial viability of its oil and gas properties. The application of the going concern concept is dependent upon the ongoing support of its directors to fund operations to provide financing on reasonable terms until such time as the Corporation is able to generate sufficient cash flow from operations and obtain additional third party financing on terms acceptable to the Corporation. There can be no assurance that the directors will continue to support the Company or that the present and long-term cash requirements of the Company will be satisfied either from revenue from operations or from future financings. If the Company is unable to successfully secure adequate or satisfactory financing as required, there is the possibility that the Company may be unable to continue to realize on its assets and to discharge its liabilities in the normal course of operations.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that the Company will be able to secure adequate financing as required and realize its assets and discharge its liabilities in the normal course of operations. If the going concern assumption was not appropriate for these consolidated financial statements then adjustments would be necessary to the carrying value of the assets and liabilities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

The consolidated financial statements include the accounts of Deloro Resources Ltd.

(b) Property and equipment

Property and equipment are recorded at cost. Amortization is provided annually at rates calculated to write off the assets over their estimated useful lives as follows:

Website	3 years straight line
Equipment	3 years straight line

In the year of acquisition, these rates are reduced by one-half.

(c) Joint venture operations:

Substantially all of the Company's oil and gas exploration and production activities are conducted jointly with others and accordingly, these financial statements reflect only the company's proportionate interest in such activities.

(d) Revenue recognition

Oil and gas revenue is recognized in the month following the production activity.

(e) Petroleum and natural gas operations:

(i) Capitalized costs

The Company follows the full cost method of accounting for its petroleum and natural gas properties. Under this method, all costs related to the exploration for and development of petroleum and natural

DELORO RESOURCES LTD.

Notes to Consolidated Financial Statements—
Unaudited Third quarter, Nine months ended March 31, 2008.

gas reserves are capitalized in a cost centre. Costs include lease acquisition costs, geological and geophysical expenses, overhead directly related to exploration and development activities and costs of drilling both productive and non-productive wells. Proceeds from the sale of properties are applied against capitalized costs, without any gain or loss being realized, unless such sale would significantly alter the rate of depletion and depreciation.

(ii) Depletion and depreciation:

Depletion of petroleum and natural gas properties and depreciation of production equipment is provided using the unit of production method based upon estimated proven petroleum and natural gas reserves before royalties. The costs of significant unevaluated properties are excluded from the costs subject to depletion. For depletion and depreciation purposes, relative volumes, before royalties, of petroleum and natural gas production and reserves are converted at the energy equivalent conversion rate of six thousand cubic feet ("mcf") of natural gas to one barrel of crude oil.

(f) Future income taxes

The Company follows the liability method of accounting for income taxes. Under this method, the future income tax asset or liability is recognized for the future consequences attributable to the differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. When necessary, a valuation allowance is recorded to reduce tax assets to an amount for which realization is more likely. The effect of changes in tax rates is recognized in the period in which the rate change occurs.

(g) Financial instruments

The Company's financial instruments consist of: cash; accounts receivable, trade and other; accounts payable and accrued liabilities;

The carrying values of the Company's financial assets and liabilities approximate their fair values at December 31, 2007 due to their short-terms to maturity.

(h) Stock-based compensation

The fair value of options granted is estimated at the date of the grant using the Black-Scholes valuation model. Stock-based compensation is recognized over the vesting period of the options granted. Stock-based compensation expense is recorded with a corresponding increase recorded to additional paid-in capital. Upon the exercise of the options, consideration paid by employees, consultants or directors together with the amount previously recognized in contributed surplus is recorded as an increase to share capital. The Company has not incorporated an estimated forfeiture rate for stock options that will not vest.

(i) Cash and cash equivalents

The Company considers all highly liquid financial instruments with an original maturity of three months or less to be cash equivalents. Cash equivalents are recorded at cost.

(j) Measurement uncertainty

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the balance sheet date and the reported amount of revenue and expenses during the year. Significant items subject to such estimates and assumptions include estimates related to the assessment of the fair value of stock options, future income tax amounts, amounts recorded for depletion and depreciation of petroleum and natural gas properties and equipment, and the provision for future site restoration and abandonment costs. The ceiling test is based on estimates of proved reserves, production rates, oil and gas prices, future costs and other relevant assumptions. The inherent uncertainty involved in making such estimates may impact the actual results reported in future periods.

DELORO RESOURCES LTD.

Notes to Consolidated Financial Statements—

Unaudited. Third Quarter, Nine months ended March 31, 2008

3. DEPOSIT ON ACQUISITION

On April 12, 2007, a Letter of Agreement was signed between Deloro and Ontic whereby Deloro agreed to acquire a 75% working interest in 3765.89 acres of oil and gas leases located 8 miles south of Wilkie, Saskatchewan for the sum of \$100,000 and the transfer to Ontic of Deloro's 75% interest in the salt water disposal well and the disposal facilities.

The exchange of these properties has been recorded at the carrying value of the initial interest in the salt water disposal well. The acquisition of 75% interest in the Wilkie Properties has been completed and approved by the TSX Venture Exchange.

4. PROPERTY AND EQUIPMENT - at March 31, 2008.

	Net Cost March 31, 2008
Website	\$ 32,132
Inventory 1000 bbl. tanks	120,000
Compressor facilities	70,348
Kindersley pipeline	93,262
Kindersley well 1-4	288,450
Kindersley well 11-4	456,753
Kindersley leases	3,483
Wilkie field development 75% Interest	1,431,538
Total	\$ 2,495,966

5. RELATED PARTY TRANSACTIONS – 3rd quarter, January 1, 2008 to March 31, 2008

	Three Months 2008	Nine Months 2008
Management, administrative and consulting fees paid to officers & directors of the Company and/or companies controlled by them	\$ 30,500	\$ 76,500
Rent of office and equipment paid to a company controlled by an officer and director of the Company	7,500	22,500
	\$ 38,000	\$ 99,000

6. SHARE CAPITAL

(a) Authorized:

Unlimited common shares without nominal or par value

Unlimited preferred shares without nominal or par value

DELORO RESOURCES LTD.

Notes to Consolidated Financial Statements—
Unaudited, Third Quarter, Nine months ended March 31, 2008

7. SHARE CAPITAL continued.

(b) Issued

	Number of shares	Amount
Common shares:		
Balance June 30, 2007	20,619,697	\$ 3,964,163
Private placement net of issue costs of \$63,510	2,092,000	564,090
Flow through shares net of issue costs of \$60,359	939,500	334,231
Private placement net of issue costs of \$6125 (not complete)	645,386	219,760
Balance at March 31, 2008	24,296,583	\$ 5,082,244

(1) Private placement of 2,092,000 shares at \$.30 cents for gross proceeds of 627,600 less commission and expenses of \$63,510 for a net proceeds of \$564,090, 2,092,000 warrants were issued at 35 cents for a period of one year or October 6, 2008.

(2) Flow through shares of 939,500 were issued at \$.42 cents per share for proceeds of \$394,590 less expenses of \$60,359 for net proceeds of \$334,231.

(3) A private placement of 2,857,000 units were authorized at \$.35 per unit. Each unit consists of one common share and one half of one share purchase warrant. Each full warrant is exercisable to purchase one additional share at \$.50 cents for a period of one year on or before December 28, 2008. 250,000 units were placed by Blackmont 87,500 less commission of \$6125 net proceeds of \$81,375. 395,386 shares were issued at \$.35 cents per unit for proceeds of \$138,385. The remaining balance of 315,185 shares were sold in April and May 2008.

(c) Stock options

The Company has a stock option plan, whereby options to purchase common shares may be issued to directors, officers and consultants of the Company subject to certain terms and conditions. A summary of stock options outstanding is shown below:

GRANT DATE	EXPIRATION DATE	Number of shares	exercise price
March 31, 2006	March 31, 2011	1,392,000	\$ 0.25
April 31, 2007	April 30, 2012	295,000	\$ 0.20
Nov. 13, 2007	Nov 13, 2012	400,000	\$ 0.37
Total shares and weighted average price		2,087,000	\$ 0.266
Blackmont brokered option (December 28, 2008) Units		83,265	\$ 0.35

During the year, the Company recorded \$54,057 in stock-based compensation expense in the statement of loss and deficit for stock options granted during the year. The fair value of the stock options used to calculate stock-based compensation expense has been estimated using the Black-Scholes option pricing model with the following assumptions:

Risk free interest rate	4.10%
Stock price volatility	87%
Expected life of options	5 years

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Notes to Consolidated Financial Statements—
Unaudited, Third Quarter, Nine months ended March 31, 2008.

7. SHARE CAPITAL continued.

As at December 31, 2007, the following share purchase warrants were outstanding:

Exercise price	Number Outstanding at December 31, 2007	Expiry date	Number Exercisable at December 31, 2007
\$ 0.27	1,500,000	August 29, 2008	1,500,000
\$ 0.35	2,092,000	October 6, 2008	2,092,000
\$ 0.50	480,286	December 31, 2008	480,286

8. INCOME TAXES

Income Taxes June 30, 2007. The Corporation; have losses available to reduce future taxable income as follows:

The non-capital loss carry forwards expire as follows:

Year	\$
2008	27,000
2009	131,000
2010	63,000
2014	45,000
2015	83,000
2026	328,000
2027	344,000
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	\$1,021,000