



ROCA MINES INC.

(A Development Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

February 29, 2008 and February 28, 2007

(Expressed in Canadian Funds)

Prepared by Management Without Audit

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited interim consolidated financial statements for the period ended February 29, 2008.

Roca Mines Inc.*(A Development Stage Company)***Consolidated Balance Sheets***Canadian Funds*

Statement 1

	As at February 29, 2008 (Unaudited)	As at August 31, 2007
ASSETS		
Current		
Cash and cash equivalents	\$ 192,528	\$ 8,697,717
Receivables	1,226,289	1,199,096
Prepaid expenses and deposits	246,738	788,280
Marketable securities <i>(Note 4)</i>	40,000	-
Future income tax asset	123,225	123,225
	<u>1,828,780</u>	<u>10,808,318</u>
Property, Plant and Equipment <i>(Note 5)</i>	48,022,939	36,197
Resource Property Costs - <i>(Note 6)</i>	6,791,911	41,764,073
Reclamation Bonds <i>(Note 9)</i>	752,900	752,900
	<u>55,567,750</u>	<u>42,553,170</u>
	<u>\$ 57,396,530</u>	<u>\$ 53,361,488</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 3,913,843	\$ 2,293,693
Due to related parties <i>(Note 10f)</i>	362,641	51,369
	<u>4,276,484</u>	<u>2,345,062</u>
Asset Retirement and Mine Closure Obligations <i>(Note 8)</i>	870,961	870,961
	<u>5,147,445</u>	<u>3,216,023</u>
SHAREHOLDERS' EQUITY		
Share Capital <i>(Note 7a)</i>	45,211,437	44,779,405
Contributed Surplus <i>(Note 7e)</i>	11,406,019	7,782,856
Deficit - <i>Statement 2</i>	(4,368,371)	(2,416,796)
	<u>52,249,085</u>	<u>50,145,465</u>
	<u>\$ 57,396,530</u>	<u>\$ 53,361,488</u>

Commitments *(Note 11)*

ON BEHALF OF THE BOARD:

"Scott Broughton", Scott E. Broughton, Director"David Skerlec", David J. Skerlec, Director

- See Accompanying Notes -

Consolidated Statements of Loss, Comprehensive Loss and Deficit

Canadian Funds

Unaudited

	For the Three Months Ended		For the Six Months Ended	
	Feb. 29, 2008	Feb. 28, 2007	Feb. 29, 2008	Feb. 28, 2007
Expenses				
Stock-based compensation	\$ 25,712	\$ 1,062,267	\$ 1,381,075	\$ 1,078,958
Advertising, promotion and shareholder relations	85,703	60,535	167,947	99,998
Accounting, audit and legal	78,822	47,839	146,626	61,439
Travel and insurance costs	51,629	7,319	113,001	15,468
Consulting/management fees	46,256	30,275	102,111	60,775
Bank charges, office, sundry	44,588	40,475	87,321	63,852
Listing and filing fees	25,848	10,301	30,848	12,524
Rent	7,897	10,897	18,314	17,344
Amortization	4,844	3,668	9,939	7,390
Loss before the Under-noted	371,299	1,273,576	2,057,182	1,417,748
Generative exploration costs	-	1,750	-	47,756
Loss (Gain) on sale of marketable securities	500	(106,065)	500	(117,435)
Exchange (Gain) Loss	(6,352)	-	(3,946)	-
Interest income	(4,204)	(6,057)	(102,161)	(36,446)
Loss and Comprehensive Loss for the period	\$ 361,243	\$ 1,163,204	\$ 1,951,575	\$ 1,311,623
Deficit, beginning of period	4,007,128	1,727,186	2,416,796	1,578,767
Deficit, end of period	\$ 4,368,371	\$ 2,890,390	\$ 4,368,371	\$ 2,890,390
Loss per Share - Basic and Diluted	\$ (0.01)	\$ (0.02)	\$ (0.02)	\$ (0.02)
Weighted Average Number of Common Shares Outstanding	80,387,174	62,314,414	80,006,564	61,227,163

- See Accompanying Notes -

Consolidated Statements of Cash Flows

Canadian Funds

Unaudited

	For the Three Months Ended		For the Six Months Ended	
	Feb. 29, 2008	Feb. 28, 2007	Feb. 29, 2008	Feb. 28, 2007
Cash Resources Provided By (Used In):				
Loss for the period	\$ (361,243)	\$ (1,163,204)	\$ (1,951,575)	\$ (1,311,623)
Items not affected by cash:				
Stock-based compensation	25,712	1,062,266	1,381,075	1,078,958
Amortization	4,844	3,668	9,939	7,390
Loss (Gain) on marketable securities	500	(106,065)	500	(117,435)
Exchange gain	(3,946)		(3,946)	
	(334,133)	(203,335)	(564,007)	(342,710)
Changes in working capital:				
Receivables	(247,378)	(137,080)	(27,193)	(64,925)
Prepaid expenses and deposits	177,989	(56,259)	541,542	(55,709)
Accounts payable and accruals	2,287,356	284,215	121,748	302,463
Short-term loan payable	-	(550,000)	-	-
	1,883,834	(388,299)	72,090	(160,881)
Investing Activities				
Purchase of property, plant and equipment - net of recoveries	(2,574,926)	(4,981)	(8,105,480)	(7,781)
Resource property costs	(446,057)	(6,374,807)	(795,149)	(11,759,424)
Deposits on contracts	-	45,000	-	90,000
Proceeds on marketable securities	19,500	170,065	19,500	193,135
	(3,001,483)	(6,164,723)	(8,881,129)	(11,484,070)
Financing Activities				
Share issuance proceeds	232,850	9,187,755	303,850	9,790,084
Share issuance costs	-	(536,715)	-	(536,715)
	232,850	8,651,040	303,850	9,253,369
Net Increase (decrease) in cash and cash equivalents	(884,799)	2,098,018	(8,505,189)	(2,391,582)
Cash and cash equivalents - Beginning of Period	1,077,327	420,336	8,697,717	4,909,936
Cash and cash equivalents - End of Period	\$ 192,528	\$ 2,518,354	\$ 192,528	\$ 2,518,354
Supplemental Schedule of non-cash Transactions				
Stock-based compensation recorded in property, plant and equipment	\$ -	\$ -	\$ 2,370,270	\$ -
Stock-based compensation recorded in resource property costs	\$ -	\$ 1,143,496	\$ -	\$ 1,143,496
Property, plant and equipment expenditures included in accounts payable	\$ 338,042	\$ -	\$ 1,814,224	\$ (137,625)
Exploration expenditures included in accounts payable	\$ (2,827)	\$ (2,148,548)	\$ (4,550)	\$ (137,625)
Shares issued for property	\$ -	\$ 188,250	\$ -	\$ 188,250
Shares received for property	\$ (60,000)	\$ (98,250)	\$ (60,000)	\$ (98,250)
Fair value of Agent's warrants issued	\$ -	\$ 4,667	\$ -	\$ 4,667

- See Accompanying Notes -

Roca Mines Inc.

(A Development Stage Company)

Notes to Consolidated Financial Statements

February 29, 2008 and February 28, 2007

Canadian Funds

Unaudited

1. Nature of Operations

The Company was incorporated on June 19, 2001 as 629645 BC Ltd. and changed its name to Roca Mines Inc. on April 29, 2002.

These financial statements are presented on a consolidated basis as the Company incorporated a wholly owned subsidiary, FortyTwo Metals Inc., on February 3, 2005. FortyTwo Metals Inc., a British Columbia corporation, holds the mineral claims, underlying agreements and serves as the operating subsidiary for the MAX Molybdenum Project.

The Company is a development stage company that engages principally in the acquisition, exploration and development of resource properties. FortyTwo Metals started commissioning the mine and mill facilities at the MAX Molybdenum Project in the first quarter ended November 30, 2007. The recovery of the Company's investment in its resource properties is dependent upon the discovery, development and sale of metal bearing concentrates and the ability to raise sufficient capital to finance these operations. The ultimate outcome of these operations cannot presently be determined because they are contingent on future matters.

2. Significant Accounting Policies

These interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Canada and follow the same accounting policies and methods consistent with those used in the preparation of the most recent annual audited consolidated financial statements except as noted below. The interim consolidated financial statements do not include all information and note disclosures required by Canadian GAAP for annual financial statements, and therefore should be read in conjunction with the Company's audited consolidated financial statements for the year ended August 31, 2007.

Changes in accounting policies

Effective September 1, 2007, the Company adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA").

a) Section 3855, *Financial Instruments – Recognition and Measurement* prescribes when a financial asset, financial liability and non-financial derivative is to be recognized on the Balance Sheet and whether fair value or cost-based measures should be used. It also specifies how financial instruments gains or losses should be presented.

The Company is required to designate its financial instruments into one of the following five categories: held-for-trading; available-for-sale; held-to-maturity; loans and receivables; and other financial liabilities. All financial instruments are to be initially measured at fair value. Financial instruments classified as held-for-trading or available-for-sale are subsequently measured at fair value with any change in fair value recorded in net earnings and other comprehensive income, respectively. All other financial instruments are subsequently measured at amortized cost.

All derivative financial instruments, including derivative features embedded in financial instruments or other contracts but which are not considered closely related to the host financial instrument or contract, are generally classified as held-for-trading and, therefore, must be measured at fair value with changes in fair value recorded in net earnings. However, if a derivative financial instrument is designated as a hedging item in a qualifying cash flow hedging relationship, the effective portion of changes in fair value is recorded in other comprehensive income. Any change in fair value relating to the ineffective portion is recorded immediately in net earnings.

Roca Mines Inc.

(A Development Stage Company)

Notes to Consolidated Financial Statements

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Canadian Funds

Unaudited

2. Significant Accounting Policies - Continued

The Company has designated its financial instruments as follows:

- Cash, cash equivalents, and marketable securities are classified as “*Available-for-Sale*”. Due to their short-term nature, management believes that their carrying value approximates their fair value;
- Receivables and prepaid expenses are classified as “*Loans and Receivables*”. These financial assets are recorded at values that approximate their amortized cost using the effective interest method; and
- Accounts payable and accrued liabilities are classified as “*Other Financial Liabilities*”. These financial liabilities are recorded at values that approximate their amortized cost using the effective interest method.

Under Section 3855, embedded derivatives are required to be separated from the host contract and accounted for as a derivative financial instrument if the embedded derivative and host contract are not closely related, and the combined contract is not held-for-trading or designated at fair value. This change did not have any impact on the Company as it does not have any embedded derivatives.

b) Section 1530, *Comprehensive Income*, introduces a new financial statement “Statement of Comprehensive Income” and provides guidance for the reporting and display of other comprehensive income. Comprehensive income represents the change in equity of an enterprise during a period from transactions and other events arising from non-owner sources including gains and losses arising on translation of self-sustaining foreign operations, gains and losses from changes in fair value of available-for-sale financial assets and changes in the fair value of the effective portion of cash flow hedging instruments. The Company has not recognized any adjustments through other comprehensive income for the three months ended November 30, 2007.

c) Section 3865, *Hedges* specifies the criteria under which hedge accounting may be applied, how hedge accounting should be performed under permitted hedging strategies and the required disclosures. This standard did not have an impact on the Company for the three months ended November 30, 2007.

Effective February 29, 2008, the Company adopted the following new accounting policy:

Commercial Production

Commercial production is deemed to have commenced when management determines that the completion of operational commissioning of major mine and plant components is completed, operating results are being achieved on average for at least a 10 day period, and that there are indicators that these operating results will continued in the future. The Company determines commencement of commercial production based on the following factors:

- (i) 75% of Phase I designed plant/mill capacity of 500 tpd is achieved;
- (ii) 75% of Phase I designed mining grade of 1.70% molybdenite (“MoS₂”) is achieved; and
- (iii) MoS₂ recovery of at least 75% of designed 87% recovery is achieved.

Roca Mines Inc.

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Notes to Consolidated Financial Statements

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Canadian Funds

Unaudited

2. Significant Accounting Policies - *Continued*

New Accounting Pronouncements

The CICA has issued three new standards which may affect the financial disclosures and results of operations of the Company for interim and annual periods beginning September 1, 2008. The company will adopt the requirements commencing in the interim period ended November 30, 2008 and is considering the impact this will have on the Company's financial statements.

a) Section 1535, *Capital Disclosures*, establishes standards for disclosing information about an entity's capital and how it is managed. Under this standard the Company will be required to disclose the following, based on the information provided internally to the entity's key management personnel:

- (i) qualitative information about its objectives, policies and processes for managing capital;
- (ii) summary quantitative data about what it manages as capital;
- (iii) whether during the period it complied with any externally imposed capital requirements to which it is subject; and
- (iv) when the company has not complied with such externally imposed capital requirements, the consequences of such non-compliance.

b) Section 3031, *Inventories*, prescribes the accounting treatment for inventories and provides guidance on the determination of costs and its subsequent recognition as an expense, including any write-down to net realizable value. It also provides guidance on the cost formulas that are used to assign costs to inventories.

c) Section 3862 – *Financial Instruments - Disclosures*, requires entities to provide disclosure of quantitative and qualitative information in their financial statements that enable users to evaluate the significance of financial instruments for the entity's financial position and performance, and 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.

Entities will be required to disclose the measurement basis or bases used, and the criteria used to determine classification for different types of instruments. The Section requires specific disclosures to be made, including the criteria for:

- (i) designating financial assets and liabilities as held for trading;
- (ii) designating financial assets as available-for-sale; and
- (iii) determining when impairment is recorded against the related financial asset or when an allowance account is used.

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's strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February of 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 relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended August 31, 2011. 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.

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3. Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, receivables, deposits on contracts, reclamation bonds, accounts payable and amounts due to related parties. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

4. Marketable Securities

Marketable securities consist of 100,000 (2007 – Nil) common shares of Romios Gold Resources Inc. ("Romios") at a recorded book value of \$40,000 (2007 - \$Nil) and a market value of \$36,000 (2007 - \$Nil) on February 29, 2008.

5. Property, Plant and Equipment

Details are as follows:

	Cost	Accumulated Amortization	February 29, 2008 Net Book Value	August 31, 2007 Net Book Value
Development costs	\$ 22,249,779	\$ -	\$ 22,249,779	\$ -
Plant and equipment	16,264,830	-	16,264,830	-
Buildings and equipment	4,873,569	63,520	4,810,049	36,197
Construction in progress	2,931,694	-	2,931,694	-
Acquisition – MAX property	917,226	-	917,226	-
Asset retirement costs (Note 8)	849,361	-	849,361	-
	<u>\$ 48,086,459</u>	<u>\$ 63,520</u>	<u>\$ 48,022,939</u>	<u>\$ 36,197</u>

During the second quarter, \$35,692,822 in acquisition and deferred development costs related to the MAX Molybdenum Project were reclassified from *Resource Property Costs* (Note 6), to *Property, Plant and Equipment*. Costs associated with Phase I production at the MAX Molybdenum Mine have been capitalized and concentrate proceeds of \$7,272,735 (net of NSR) to February 29, 2008 recorded as a reduction to development costs. Net pre-production costs will be amortized on a unit of production basis over the Company's Phase I mine plan. Direct costs associated with the Company's Phase II expansion plans will continue to be capitalized until those assets are "available for use".

Roca Mines Inc.*(A Development Stage Company)***Notes to Consolidated Financial Statements**

February 29, 2008 and February 28, 2007

Canadian Funds

Unaudited

6. Resource Property Costs

Details are as follows:

	Six Months Ended February 29, 2008	Year Ended August 31, 2007
Opening Balance	\$ 41,764,073	\$ 11,373,439
Reclassified	(35,692,822)	-
MAX Molybdenum Project	521,806	29,527,093
Foremore VMS-Gold Project	285,447	362,951
SeaGold Project	(135,000)	22,250
Other	48,407	478,340
Balance Ending	\$ 6,791,911	\$ 41,764,073

Resource costs (recoveries) represent expenditures on exploration activities incurred during the period. During the second quarter ended February 29, 2008, \$35,692,822 in acquisition and deferred development costs related to the MAX Molybdenum Mine were reclassified from *Resources Property Costs*, to *Property, Plant and Equipment (Note 5)* as the property transitioned from development to production.

a) MAX Molybdenum Project, Revelstoke Mining Division, B.C., Canada

The Company holds a 100% interest in certain properties, known as the MAX Molybdenum Project located in the Revelstoke Mining Division, B.C. The MAX Project is subject to a 2.5% Net Smelter Return ("NSR"). The Company may purchase, at any time, up to 60% of the NSR by paying \$1,000,000 for each 30% (\$2,000,000 for the full 60% of the 2.5% NSR). The Company has also acquired a 100% interest in certain crown grants, mining leases and mineral claims contiguous to the core MAX Molybdenum Project mineral claims. The Company granted a 2.5% NSR on the contiguous property, reducible to 1% upon payment of \$2,000,000 at any time prior to commencement of commercial production. The Company must also issue 200,000 shares if it commences commercial production from any part of the contiguous property.

b) FOREMORE VMS-Gold Project, Liard Mining Division, B.C., Canada

The Company holds a 100% interest in certain properties, known as the Foremore Project located in the Liard Mining Division, B.C. The Foremore Project is subject to a 2.5% Net Smelter Return ("NSR"). The Company may purchase at any time, up to 60% of the NSR by paying \$1,000,000 for each 30% (\$2,000,000 for the full 60% of the 2.5% NSR). The Company will be required to make annual advance royalty payments of \$50,000 starting May 1, 2006 (\$100,000 paid to date). This advance royalty ceases in the year in which commercial production commences. All advance royalty payments paid to commercial production may be applied as a reduction of future royalty payments. The Company must also issue 200,000 common shares to the vendor upon the commencement of commercial production.

Roca Mines Inc.

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Notes to Consolidated Financial Statements

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Canadian Funds

Unaudited

5. Resource Property Costs - *Continued*

c) SEAGOLD Project, Liard Mining Division, B.C., Canada

The Company has acquired a 100% interest in certain properties, known as the SeaGold Project in the Liard Mining Division, B.C. for \$100,000 and 200,000 common shares. The SeaGold Project is subject to a 2.5% NSR. The Company may purchase at any time, up to 60% of the NSR by paying \$1,000,000 for each 30% (\$2,000,000 for the full 60% of the 2.5% NSR). Advance annual royalty payments of \$30,000 will be payable by the Company starting on December 1, 2007, ceasing in the year in which commercial production commences. The Company must also issue 200,000 common shares to the vendor upon the commencement of commercial production. Romios Gold Resources Inc. ("Romios") has now completed the acquisition of a 50% interest in the SeaGold Property by paying \$200,000, and issuing 600,000 common shares to the Company. Romios has also assumed the Company's obligation to issue the original property vendor 200,000 common shares upon commencement of commercial production, and the advance royalty payments of \$30,000 per annum.

d) OTHER Projects, Revelstoke Mining Division, B.C., Canada

In December of 2006, the Company signed four agreements with a group of prospectors, pursuant to which the Company may acquire a 100% interest in four separate properties in the Revelstoke Mining Division, British Columbia. Each property is subject to a 2% net smelter return royalty which may be purchased by the company for \$2-million. To maintain all options in good standing, the Company must complete the following:

	Cash Payments	Share Issuances
Upon Exchange Approval (paid/issued)	\$ 7,500	60,000
April 1, 2007 (paid/issued)	24,000	60,000
April 1, 2008	31,500	60,000
April 1, 2009	42,000	60,000
April 1, 2010	51,000	75,000
	\$ 156,000	315,000

In July of 2007, the Company signed an option agreement to acquire a 100% interest in 513 hectares contiguous with the Tin City Property. The Company paid the vendor \$12,300 on signing and, at its option, must pay an additional \$100,000 and issue 50,000 common shares on or before June 5, 2009 to complete the acquisition. This contiguous property is subject to a 2.5% Net Smelter Return, which may be reduced to 0.5% upon payment of \$1.5 million.

The Company has acquired by staking a 100% interest in the Butters Peak Molybdenum Property, covering approximately 1,650 hectares approximately 25 kilometres northeast of the MAX Molybdenum Mine.

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Notes to Consolidated Financial Statements

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Canadian Funds

Unaudited

7. Share Capital

a) Details are as follows:

Authorized:	Number of Shares	Amount
Unlimited common shares without par value		
Balance – August 31, 2006	59,270,430	\$ 17,004,359
Issued for cash:		
Private placement of units – February 2007		
- prorated fair value of common shares issued	5,000,000	5,910,352
Private placement of units – March 2007		
- prorated fair value of common shares issued	7,142,857	8,319,686
Private placement of units – March 2007		
- prorated fair value of common shares issued	1,212,121	1,453,663
Private placement of units – August 2007		
- prorated fair value of common shares issued	4,703,500	12,961,423
Exercise of \$0.40 warrants	831,667	332,667
Exercise of \$0.90 Agent warrants	39,335	35,402
Exercise of Incentive stock options	1,175,000	432,250
Issued for SeaGold Project	75,000	98,250
Issued for Bonanza Project	30,000	63,150
Issued for Ellesmere Project	30,000	63,150
Issued for Farside Project	30,000	63,150
Issued for Tin City Project	30,000	63,150
Fair value of warrants exercised	-	42,337
Fair value of stock options exercised	-	300,916
Share issuance costs	-	(2,309,390)
Future Income Tax	-	(55,109)
Balance – August 31, 2007	79,569,910	44,779,405
Issued for cash:		
Exercise of incentive stock options	1,163,000	303,850
Fair value of stock options exercised (Note 7d)	-	128,182
Balance – February 29, 2008	80,732,910	\$ 45,211,437

b) A summary of the Company's warrants and agent/underwriter warrants ("B-Warrants") outstanding at February 29, 2008 and the changes for the period are as follows:

Number Outstanding August 31, 2007	Issued	Exercised	Number Outstanding February 29, 2008	Exercise Price Per Share	Expiry Date	Description
1,828,571	-	-	1,828,571	\$2.25	4-Jul-08	Warrant
3,171,429	-	-	3,171,429	\$2.25	9-Aug-08	Warrant
7,142,857	-	-	7,142,857	\$2.25	6-Sep-08	Warrant
1,212,121	-	-	1,212,121	\$2.25	28-Sep-08	Warrant
2,351,750	-	-	2,351,750	\$4.00	7-Aug-09	Warrant
18,750	-	-	18,750	\$2.25	9-Aug-08	B-Warrant
245,400	-	-	245,400	\$3.18	7-Aug-08	B-Warrant
36,810	-	-	36,810	\$3.18	20-Aug-08	B-Warrant
16,007,688	-	-	16,007,688			

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7. Share Capital - Continued

- c) The Company has established a share purchase option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants. The maximum number of shares issuable under the stock option plan shall not exceed 10% of the issued and outstanding common shares. Options granted must be exercised no later than five years from date of grant or such lesser period as determined by the board of directors and the exercise price of an option is not less than a prescribed discount from the closing price on the TSX Venture Exchange on the last trading day preceding the grant date. Options vest on the grant date unless determined otherwise by the board of directors.
- d) A summary of the Company's options at February 29, 2008 and the changes for the period are as follows:

Number Outstanding August 31, 2007	Granted	Exercised	Cancelled	Number Outstanding February 29, 2008	Exercise Price Per Share	Expiry Date
758,000	-	(758,000)	-	-	\$0.20	17-Dec-07
367,000	-	-	-	367,000	\$0.20	11-Dec-08
760,000	-	(100,000)	-	660,000	\$0.25	24-Aug-09
100,000	-	(100,000)	-	-	\$0.25	26-Nov-09
900,000	-	(125,000)	-	775,000	\$0.25	18-Oct-10
50,000	-	-	-	50,000	\$0.55	13-Mar-11
200,000	-	(50,000)	(150,000)	-	\$0.55	10-Apr-11
2,600,000	-	(30,000)	-	2,570,000	\$1.45	19-Feb-12
-	2,000,000 ⁽¹⁾	-	-	2,000,000	\$3.55	15-Nov-12
5,735,000	2,000,000	(1,163,000)	(150,000)	6,422,000		

1) At February 29, 2008, all but 56,250 of these options had vested.

In November of 2007, the Company granted 2,000,000 incentive stock options to directors and consultants of the Company. The stock options are exercisable at a price of \$3.55 per share for a period of five years. The fair value of stock options used to calculate the compensation expense in February of 2007 was estimated using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

Average risk-free interest rate	4.01%
Expected dividend yield	Nil
Expected stock price volatility	70.8%
Average expected option life	3.75 years

The total fair value of the options granted was calculated to be \$3,811,678 on the grant date, \$1,333,816 of which amount was expensed and \$2,370,270 capitalized to resource property costs during the first quarter ended November 30, 2007. The balance of \$107,592 is to be expensed over the vesting period of which \$6,344 was expensed in the second quarter ended February 29, 2008. The offsetting entries are to contributed surplus.

In the prior fiscal year, the Company granted 2,600,000 incentive stock options exercisable at a price of \$1.45 per share for a period of five years. The total fair value of the options granted was calculated to be \$2,266,043 on the grant date, \$1,085,788 of which amount was expensed and \$1,139,340 capitalized to resource property costs. The balance of \$40,915 was expensed over the first two quarters of fiscal 2008, \$21,547 in the first quarter and \$19,368 in the second quarter. The offsetting entries are to contributed surplus.

Roca Mines Inc.*(A Development Stage Company)***Notes to Consolidated Financial Statements****February 29, 2008 and February 28, 2007***Canadian Funds***Unaudited****7. Share Capital - Continued**

During the first quarter ended November 30, 2007, 30,000 options expiring on February 19, 2012 were exercised, 50,000 options expiring April 10, 2011 were exercised and 150,000 options were cancelled upon termination of a consulting contract. The fair value of the stock options exercised was calculated to be \$44,944 and that amount has been transferred to share capital from contributed surplus. In the second quarter ended February 29, 2008, 758,000 options expiring on December 17, 2007 were exercised, 100,000 options expiring August 24, 2009 were exercised, 100,000 options expiring on November 26, 2009 were exercised and 125,000 options expiring on October 18, 2010 were exercised. The fair value of the stock options exercised was calculated to be \$83,238 and that amount has been transferred to share capital from contributed surplus.

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

e) Contributed Surplus

Details are as follows:

	February 29, 2008	August 31, 2007
Balance – Beginning of Period	\$ 7,782,856	\$ 763,946
Fair value of stock-based compensation	3,751,345	2,260,790
Fair value of warrants issued	-	5,312,006
Fair value of agent/underwriter warrants issued	-	217,731
Issuance costs attributed to warrants	-	(428,364)
Fair value of options exercised – to share capital	(128,182)	(300,916)
Fair value of warrants exercised – to share capital	-	(42,337)
Balance – End of Period	\$ 11,406,019	\$ 7,782,856

8. Asset Retirement and Mine Closure Obligations

For each property, management has estimated the costs of reclaiming any disturbances to its projects in accordance with the Company's accounting policies at August 31, 2007. There were no changes made to this estimate in the period ending February 29, 2008. Details of management's estimates of reclamation and mine closure costs are as follows:

	February 29, 2008	August 31, 2007
Balance – Beginning of Period	\$ 870,961	\$ 126,000
Foremore Project – estimated camp closure and other reclamation costs	-	-
MAX Molybdenum - estimated mine closure and other reclamation costs	-	744,961
Balance – End of Period	\$ 870,961	\$ 870,961

Roca Mines Inc.

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Notes to Consolidated Financial Statements

February 29, 2008 and February 28, 2007

Canadian Funds

Unaudited

8. Asset Retirement and Mine Closure Obligations - *Continued*

The Company obtained an independent assessment of MAX Molybdenum site restoration costs at August 31, 2007 of \$971,826, which includes a 10% contingency to reflect uncertainty and the potential for inflation. Based on the Company's Phase I mine plan, the reclamation is to be completed in the summer of 2010, 28 months following start-up.

This amount has been discounted by a risk free rate of 4.38% on the first \$730,000 and 7.75% on the remaining balance of \$241,826. The net present value of \$849,361 is recorded as a long-term liability to be accreted over time with the corresponding asset to be amortized on a unit-of-production method over the estimated mine-life.

Retirement obligations of \$21,600 for the Foremore Project have been estimated by management and are presented on an undiscounted basis due to the uncertainty in forecasting an ultimate closure date.

It is possible the Company's estimate of its ultimate reclamation, site restoration and closure liability could materially change due to possible changes in laws and regulations or changes in cost estimates.

9. Reclamation Bonds

At February 29, 2008, reclamation bonds totalling \$752,900 remain in safekeeping with the British Columbia Ministry of Energy, Mines and Petroleum Resources as summarized below:

	February 29,		August 31,
	2008		2007
MAX Molybdenum Project	\$ 730,000	\$	730,000
Foremore Project	22,900		22,900
Total	\$ 752,900	\$	752,900

Interest received on the funds held in safekeeping accrue to the Company's benefit and are recorded as interest income in the period in which they are received by the Company.

10. Related Party Transactions

Except as noted elsewhere in these financial statements, related party transactions are as follows:

- a) During the six months ended February 29, 2008, consulting fees of \$54,800 (2007 - \$39,600) were paid or accrued to the President and CEO of the Company. Services provided include general corporate, exploration and acquisition strategy, drafting and engineering work, contract negotiations, and investment presentations. Of this amount, \$20,400 (2007 - \$19,600) is recorded in deferred exploration and development costs for the period and the balance in consulting fees.
- b) During the six months ended February 29, 2008, consulting fees of \$44,100 (2007 - \$34,125) were paid or accrued to the CFO and Secretary of the Company. Services provided include corporate finance and fund raising initiatives, contract negotiations, financial accounting, office management and general administration.

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Notes to Consolidated Financial Statements

February 29, 2008 and February 28, 2007

Canadian Funds

Unaudited

10. Related Party Transactions - *Continued*

- c) During the six months ended February 29, 2008, per-diem contract fees of \$30,450 (2007 - \$42,350) were paid or accrued to a director or a company controlled by a director. Of this amount, \$30,450 (2007 - \$31,850) is contained in deferred exploration and development costs for the year and the balance has been expensed as consulting fees or generative exploration expense.
- d) During the six months ended February 29, 2008, per-diem consulting fees of \$5,950 (2007 - \$Nil) were paid or accrued to a director. This amount is contained in deferred exploration and development costs.
- e) During the six months ended February 29, 2008, the Company was reimbursed for rent and office expenses totalling \$10,419 (2007 - \$10,518) by a company with common management.
- f) As at February 29, 2008, current liabilities include \$362,641 (2007 - \$122,650) payable to related parties. These amounts were incurred in the ordinary course of business, are non-interest bearing, and without specific repayment terms.

11. Commitments

- a) The Company has signed a lease agreement for the rental of office space. The lease began April 1, 2006 and ends on March 31, 2009. The future minimum lease obligations are as follows:

	Amount
2007	\$ 36,523
2008	36,523
2009	21,305
	<u>\$ 94,351</u>

- b) The Company has signed an offtake agreement with a U.K.-based purchaser, for molybdenum concentrates produced at the Company's MAX Molybdenum Mine. The purchaser has agreed to purchase 100 per cent of the concentrates produced at the mine through 2017, with pricing terms to be mutually agreed upon every year.

12. Subsequent Events

Subsequent to February 29, 2008, 797,418 warrants exercisable at \$2.25 per share were exercised (64,287 by a director of the Company) and 15,000 stock options exercisable at \$1.45 per share were exercised for total proceeds of \$1,815,941.

On April 12, 2008, the Company's MAX Molybdenum Mine reached its previously defined targets and declared Phase I commercial production.
