

Currie Rose Resources Inc.

Consolidated Financial Statements

For the years ended December 31, 2008 and 2007

Currie Rose Resources Inc.
Consolidated Financial Statements
For the years ended December 31, 2008 and 2007

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Auditors' Report

**To the Shareholders of
Currie Rose Resources Inc.**

We have audited the consolidated balance sheets of **Currie Rose Resources Inc.** as at December 31, 2008 and 2007 and the consolidated statements of shareholders' equity, operations and comprehensive loss and cash flows for the years then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2008 and 2007 and the results of its operations and cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

English & Jones LLP

ENGLISH & JONES LLP
Chartered Accountants
Licensed Public Accountants

St. Catharines, Ontario
April 14, 2009

Currie Rose Resources Inc.
Consolidated Balance Sheets

December 31 **2008** **2007**

Assets

Current

Cash	\$ 54,204	\$ 50,560
Short-term investment (Note 5)	655,510	2,259,620
Accounts receivable	102,677	104,355
Prepaid expenses	3,534	3,329
	815,925	2,417,864

Long-Term Investment (Note 6) 3,400 28,000

Mining Claims (Note 7) 4,288,112 3,704,543

Deferred Exploration Expenditures (Note 8) 1,837,453 1,351,573

\$ 6,944,890 \$ 7,501,980

Liabilities and Shareholders' Equity

Current

Accounts payable and accrued expenses \$ 69,252 \$ 176,268

Shareholders' Equity (Note 9)

Common shares	12,494,992	12,478,325
Contributed surplus	285,892	277,945
Common share purchase warrants	384	384
Options	195,154	203,101
Deficit	(6,100,784)	(5,634,043)
	6,875,638	7,325,712

\$ 6,944,890 \$ 7,501,980

On behalf of the Board:

Harold Smith Director
"Signed"

Michael Griffiths Director
"Signed"

Currie Rose Resources Inc.
Consolidated Statements of Shareholders' Equity

For the years ended December 31, 2008 and 2007

	Common Shares			Contributed Surplus	Common Share Purchase Warrants	Stock Options	Deficit	Total
	Number Outstanding	Amount						
Balance, December 31, 2006	35,270,237	\$ 8,847,875	\$ 277,772	\$ 326	\$ 83,800	\$ (5,142,170)	\$ 4,067,603	
Issued for cash (Note 9)	7,215,000	2,468,439	-	361	-	-	2,468,800	
Issued for mining claims (Note 7)	2,562,000	821,238	-	-	-	-	821,238	
Issued as fee for private placements (Note 9)	63,375	20,280	-	23	-	-	20,303	
Issuance costs		(253,203)					(253,203)	
Common share purchase warrants exercised (Note 9)	2,294,170	573,696	-	(153)	-	-	573,543	
Common share purchase warrants expired (Note 9)	-	-	173	(173)	-	-	-	
Stock options issued (Note 9)	-	-	-	-	119,301	-	119,301	
Net comprehensive loss	-	-	-	-	-	(547,673)	(547,673)	
Transition adjustment (Note 4)						55,800	55,800	
Balance, December 31, 2007	47,404,782	\$ 12,478,325	\$ 277,945	\$ 384	\$ 203,101	\$ (5,634,043)	\$ 7,325,712	
Issued for mining claims (Note 7)	833,333	16,667	-	-	-	-	16,667	
Stock options expired (Note 9)	-	-	7,947	-	(7,947)	-	-	
Net comprehensive loss	-	-	-	-	-	(466,741)	(466,741)	
Balance, December 31, 2008	48,238,115	\$ 12,494,992	\$ 285,892	\$ 384	\$ 195,154	\$ (6,100,784)	\$ 6,875,638	

Currie Rose Resources Inc.
Consolidated Statements of Operations
and Comprehensive Loss

For the years ended December 31	2008	2007
Revenue		
Production penalty revenue	\$ 100,000	\$ 100,000
Expenses		
Advertising	3,808	7,096
Directors' compensation (Notes 9 and 11)	-	111,354
Investor relations	115,649	101,557
Listing and filing fees	18,673	10,155
Management compensation (Note 11)	67,525	71,708
Office and admin expense (Note 11)	127,516	167,328
Office rent	13,192	14,138
Professional services	92,120	84,072
Salaries and Benefits	88,806	-
Share transfer agent fees	2,783	8,729
Shareholders' information	535	7,038
Travel	53,168	46,985
	583,775	630,160
Loss Before Other Income (Expense)	(483,775)	(530,160)
Other Income (Expense)		
Interest and foreign exchange	41,634	49,287
Change in market value of long-term investment	(24,600)	(66,800)
Net Loss for the Year, also representing Comprehensive Loss	\$ (466,741)	\$ (547,673)
Loss per common share: (Note 13)		
Basic and fully diluted	\$ (0.01)	\$ (0.01)

Currie Rose Resources Inc.
Consolidated Statements of Cash Flows

For the years ended December 31	2008	2007
Cash Provided By (Used In)		
Operating Activities		
Net loss for the year	\$ (466,741)	\$ (547,673)
Items not involving cash:		
Stock based compensation	-	119,301
Change in market value of long-term investments	24,600	66,800
Cumulative translation adjustment	-	3,833
Changes in non-cash working capital balances:		
Accounts receivable	1,678	(115)
Prepaid expenses	(205)	4,563
Accounts payable and accrued expenses	(107,016)	135,231
Cash Used In Operating Activities	(547,684)	(218,060)
Investing Activities		
Purchase of short-term investment	-	(3,018,260)
Redemption of short-term investment	1,604,110	1,250,951
Mining claims purchased	(566,902)	(390,796)
Deferred exploration expenditures incurred	(485,880)	(483,328)
Cash Provided by (Used In) Investing Activities	551,328	(2,641,433)
Financing Activities		
Common shares issued, net of costs	-	2,809,059
Warrants issued	-	384
Cash Provided By Financing Activities	-	2,809,443
Increase (Decrease) in Cash During the Year	3,644	(50,050)
Cash, beginning of year	50,560	100,610
Cash, end of year	\$ 54,204	\$ 50,560

Currie Rose Resources Inc.

Notes to Consolidated Financial Statements

December 31, 2008 and 2007

1. Nature of the Business

Currie Rose Resources Inc. was incorporated under the Canada Business Corporations Act on August 24, 1973. The company is a development stage company that engages principally in the acquisition, exploration and development of resource properties.

2. Going Concern

These financial statements have been prepared in Canadian dollars and in accordance with Canadian generally accepted accounting principles applicable to a going concern which assumes that the company will continue in operation for the foreseeable future and be able to realize assets and satisfy liabilities in the normal course of business. The application of the going concern concept is dependent on the company's ability to pay its liabilities through future operations of its mining properties and financial support through future equity offerings. There is no assurance that the company can achieve profitable mining operations or obtain the necessary financing. These financial statements do not include any adjustments to the recoverability and classification of certain recorded asset amounts, particularly mining claims and deferred expenditures and classification of certain liabilities that might be necessary, if the company were unable to continue as a going concern. Such adjustments could be material.

3. Significant Accounting Policies

Method of Consolidation

These consolidated financial statements include the accounts of Currie Rose Resources Inc. as at and for the years ended December 31, 2008 and 2007, the accounts of its wholly owned subsidiary Currie Rose Resources (T) Limited, whose accounts are denominated in U.S. dollars, as at and for the years ended December 31, 2008 and 2007 and the company's 40% interest in the Lake Victoria Joint Venture, whose accounts are denominated in Australian dollars, as at and for the year ended December 31, 2008 and 2007.

Currie Rose Resources (T) Limited is considered an integrated foreign operation and as such is accounted for using the temporal method. Monetary assets and liabilities are translated into Canadian dollars at the rates prevailing at the year end date. Non-monetary assets and liabilities are translated at the historical exchange rate in effect when the transaction occurred. Revenue and expenses are translated at the exchange rate in effect on the date of the transaction. Exchange gains or losses arising on the translation of monetary items are included in other income (expense) for the year.

All monetary assets and liabilities of the Lake Victoria Joint Venture are translated into Canadian dollars at rates prevailing at the year end date. Non-monetary assets and liabilities are carried on the balance sheet using the historical exchange rate in effect when the transaction occurred. Revenue and expenses are translated at the exchange rates in effect on the date of the transaction. Exchange gains and losses arising on the translation of monetary items are included in other income (expense) for the year.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

3. Significant Accounting Policies (Continued)

Foreign Exchange

All monetary assets and liabilities are translated into Canadian dollars at rates prevailing at the year end date. Non-monetary assets and liabilities are carried on the balance sheet using the historical exchange rate in effect when the transaction occurred. Revenue and expenses are translated at the exchange rates in effect on the date of the transaction. Exchange gains and losses arising on the translation of monetary items are included in other income (expense) for the year.

Revenue Recognition

Revenue is recognized when earned as per contractual agreements and when ultimate collection is reasonably assured.

Financial Instruments

Financial instruments are initially recognized at their fair value on a trade date basis when the company becomes a party to the contractual provisions of the financial instrument or non-financial derivative contract. Subsequent measurement is based on the classification of the financial instruments as follows.

a) Held for Trading

Cash, short-term investment, accounts receivable and long term investment have been designated as a held for trading financial assets due to their inherent nature and are recorded on the balance sheet at their fair value, with any changes in fair value being recorded in other income (expense). The fair value of cash and accounts receivable approximate their cost due to their inherent nature. The fair value of short-term investment is calculated using a discounted cash flow approach, with the discount rate being the company's financial institution's market rate, at or near period, for a similar type investment with a similar maturity. The fair value of long term investment is based on the quoted market price of the investment. The cost of financial assets designated as held for trading can be found in Note 16.

Accounts payable and accrued expenses has been designated as a held for trading financial liability due to its inherent nature and is recorded on the balance sheet at its fair value, with any changes in fair value being recorded in other expense (income). The fair value of accounts payable and accrued liabilities approximates its cost due to its inherent nature. The cost of financial liabilities designated as held for trading can be found in Note 16.

Transaction Fees and Costs

Transaction costs on investments are added to the cost of the investment.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

3. Significant Accounting Policies (Continued)

Mining Claims and Deferred Exploration Expenditures

Mining claims are recorded at cost on an area of claims basis and carried as an asset until the results of the project are known. In the event of an abandonment or the expiration of an area of claims, the cost will be written off against income.

The cost of exploration expenditures on mining claims is deferred and in the event a commercial ore deposit is located, the cost will be amortized against income by the unit of production method. In the event of an abandonment or the expiration of an area of mining claims, the expenditures will be written off against income.

The cost of mining claims and deferred exploration expenditures do not necessarily reflect present or future values. The ultimate realization of the amounts shown as mining claims and deferred exploration expenses is dependent upon the discovery of economically recoverable reserves, confirmation of the company's interest in the underlying mineral claims, the successful commercial development and exploration of the areas of interest, including the ability to obtain necessary financing to complete development or alternatively by their sale.

The company is currently in the process of exploring its resource properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

Title to resource properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristics of many resource properties. The company has investigated title to all of its resource properties and to the best of its knowledge, title to all of its properties are in good standing.

The recoverability of these costs cannot presently be determined because they are contingent on future events, the outcome of which cannot presently be determined. As such the actual recovery of these costs may vary by a material amount.

Impairment

The Company reviews and evaluates its long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable.

In assessing impairment for exploration properties, the carrying value is compared to the fair value of recent sale transactions with similar properties

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

3. Significant Accounting Policies (Continued)

Option Agreements

The company acquires and disposes of properties pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable as per these option agreements are not recorded until payment has been received or made. Upon payment of amounts due under an option agreement, the company recognizes the related amount as the cost of a mining claim. Upon receipt of amounts due under an option agreement, the company recognizes the related amount as the proceeds of disposition of a mining claim, with related write-off of the mining claim and deferred exploration expenses.

Stock Based Compensation

The company recognizes as compensation expense the fair value of stock options issued in exchange for services provided by outside consultants and company directors. The cost of such compensation is calculated using the fair value method (Black-Scholes option pricing model) based on the fair value of the stock options on the granting date.

The proceeds from the exercise of stock options and warrants are recognized in share capital upon exercise at the exercise price paid by the holder, along with the related cost of such items originally credited to warrants and contributed surplus.

Share capital issued in exchange for non-monetary consideration is recorded at an amount based on the fair market value of the shares just prior to the date of issuance.

Income Tax

The company follows the liability method of income tax allocation. Under this method, future tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities and are measured using the substantially enacted tax rates and laws that will be in effect when the differences are expected to reverse.

Use of Estimates

The preparation of the company's financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from such estimates.

Comparative Figures

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

Currie Rose Resources Inc.

Notes to Consolidated Financial Statements

December 31, 2008 and 2007

4. Changes in Accounting Policies

On January 1, 2007, the company adopted new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA") regarding financial instruments, which are encompassed in CICA Handbook Sections 1530 - Comprehensive Income; 3855 - Financial Instruments Recognition and Measurement and 3861 - Financial Instruments Disclosure. The adoption of these new accounting standards by the company resulted in changes to the accounting policies for financial instruments as outlined in Note 3 – Significant Accounting Policies. The change in accounting policy for long-term investment as outlined in Note 3 – Significant Accounting Policies resulted in the recognition of a transition adjustment as of January 1, 2007. This transition adjustment increased opening long-term investment and decreased opening deficit by \$55,800. There were no other adjustments made due to the change in accounting policies for all other financial instruments.

On January 1, 2007, the company adopted a new accounting standard issued by the Canadian Institute of Chartered Accountants ("CICA") regarding accounting changes, which is encompassed in CICA Handbook Sections 1506 - Accounting Changes. The adoption of this standard resulted in the requirement to disclose anticipated future changes in accounting policies as outlined in Note 17 – Recently Issued Accounting Pronouncements.

On January 1, 2008, the company adopted new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA") regarding financial instruments, which are encompassed in CICA Handbook Sections 3862 - Financial Instruments - Disclosures and Section 3863 - Financial Instruments - Presentation. This section replaced Section 3861 - Financial Instruments - Disclosures and Presentation. The adoption of these new accounting standards by the company resulted in new disclosures related to financial instruments as seen in Note 16 - Financial Instruments and Capital Disclosures.

On January 1, 2008, the company adopted new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA") regarding capital disclosures, which are encompassed in CICA Handbook Section 1535 - Capital Disclosures. The adoption of this new accounting standard by the company resulted in the creation of a new financial statement - Statement of Shareholder's Equity and enhanced disclosure of policies for capital as set out by the company in Note 16 - Financial Instruments and Capital Disclosures.

On January 1, 2008, the company adopted a new accounting standard issued by the Canadian Institute of Chartered Accountants ("CICA") regarding the requirement to assess the company's ability to continue as a going concern, which are encompassed in CICA Handbook Section 1400 - General Standards of Financial Statement Presentation. The adoption of this new accounting standard by the company resulted in changes to the disclosure in Note 2 – Going Concern.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

5. Short-Term Investment

	2008	2007
Cashable term deposit, interest at prime less 1.75%, being 1.75% at December 31, 2008 (2007 - 4.25%), maturing November 10, 2009	\$ 655,510	\$ 2,259,620

6. Long-Term Investment

	2008	2007
Aquila Resources Inc., 40,000 common shares	\$ 3,400	\$ 28,000

7. Mining Claims

	Opening	Additions	Adjustment	Transfer	Write-offs	Closing
2008						
Laonil Lake	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 1
Scadding Township Tanzania	99,447	-	-	-	-	99,447
Jubilee Reef	851,666	-	-	-	-	851,666
Mabale Hills	1,133,554	283,451	-	-	-	1,417,005
Nyamirembe	1,318,561	283,451	-	-	-	1,602,012
Sekenke	301,314	16,667	-	-	-	317,981
	\$3,704,543	\$ 583,569	\$ -	\$ -	\$ -	\$4,288,112

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

7. Mining Claims (Continued)

	Opening	Additions	Adjustment	Transfer	Write-offs	Closing
2007						
Laonil Lake	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 1
Scadding Township	99,447	-	-	-	-	99,447
Tanzania						
Jubilee Reef	798,788	71,099	(18,221)	-	-	851,666
Mabale Hills	866,381	286,006	(18,833)	-	-	1,133,554
Nyamirembe	1,055,501	286,006	(22,946)	-	-	1,318,561
Sekenke	100,076	201,238	-	-	-	301,314
	\$2,920,194	\$ 844,349	\$ (60,000)	\$ -	\$ -	\$3,704,543

Laonil Lake

Net profit interest in 3 gold mining claims covering 11,000 acres in Northern Saskatchewan. The company is entitled to a 30% interest in the net profits generated on the commercial production from this property by the beneficial owner who has optioned the property from the company. Once the company has received payments totaling \$1,000,000 on its share of the net profits interest, their entitlement decreases to 25% interest in the net profits.

The company is also entitled to a yearly payment of \$100,000 in the event the beneficial owner does not mine a minimum amount of 30,000 tonnes in a calendar year. In the event the beneficial owner has not mined 30,000 tonnes of ore or has not made the above noted \$100,000 penalty payment for two consecutive years, full ownership interest reverts back to the company, free of any encumbrances on the part of the beneficial owner and in full settlement of any claims the company may have against the beneficial owner.

Scadding Township

Beneficial ownership of 100% of gold mining claims covering 1,895 acres in Northern Ontario. These claims are embodied in seven leases granted by the Ministry of Natural Resources totaling 56 claims. One of these leases is set to expire in 2023, three in 2025, one in 2026 and two in 2027. Each of these leases contain a 21 year renewal clause at the option of Ministry of Natural Resources. Management is of the opinion that such renewals will be offered and they intend to act on these renewal clauses.

The company is committed to a royalty payment in the amount of \$100,000, payable 10 days after the end of the third calendar month in which production occurs from the claims. The company is also committed to a royalty payment of \$1 per ton of ore removed from designated claims registered against the property.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

7. Mining Claims (Continued)

Tanzania - Jubilee Reef

Beneficial ownership of 100% of a mining tenement in the Lake Victoria gold field of Tanzania known as Jubilee Reef, covering 102 kilometres squared.

On December 19, 2007 the company issued 607,336 common shares in relation to a letter of agreement dated February 6, 2006, in which the company acquired a 100% interest in the Jubilee Reef tenement from the Lake Victoria Joint Venture, to which it is a party to. The fair value of the common shares issued was \$0.31 per common share for total proceeds of \$188,274. Since the common shares were not issued as of December 31, 2006, the transaction was originally valued at the share price as at December 31, 2006 of \$0.34 per common share for total proceeds of \$206,495. As such, there is a resulting adjustment to the mining claim cost of \$18,221 upon issuance of these common shares. The joint venture to which the company was a party to as a result of this common share price adjustment, incurred a loss on the disposal. Given that the company is related to the joint venture, the company's 40% share of the loss of \$71,099 was added to the cost of its mining claims, as it can only be recognized upon sale of the property to a third party or abandonment of the claim.

This property is subject to an option agreement as described in note 14.

This property is subject to a royalty on gold payable under the terms of a Deed of Sale and Royalty dated May 29, 2004.

This property is subject to a net smelter return royalty payable as follows: if production from the tenement is 50,000 ounces of gold or less per calendar year, then the royalty shall be U.S. \$3.00 per ounce if the price of gold is U.S. \$350 per ounce or less, or U.S. \$5 per ounce if the price of gold is greater than \$350 per ounce. If production from the tenement is greater than 50,000 ounces of gold per calendar year, then the royalty shall be U.S. \$5.00 per ounce if the price of gold is U.S. \$350 per ounce or less, or U.S. \$7.50 per ounce if the price of gold is greater than \$350 per ounce.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

7. Mining Claims (Continued)

Tanzania - Mabale Hills

Beneficial ownership of 40% of a mining tenement in the Lake Victoria gold field of Tanzania known as Mabale Hills, covering 178 kilometres squared. This beneficial ownership is held through a joint venture agreement and concurrent option agreement as described in Note 14.

On December 19, 2007 the company issued 1,392,664 common shares in relation to a letter of agreement dated February 6, 2006, in which the company satisfied the 3rd stage of the joint venture agreement and has earned a 40% interest in the properties held by the joint venture as defined in the agreement, being Mabale Hills and Nyamirembe. The fair value of the common shares issued was \$0.31 per common share for total proceeds of \$431,726. Since the common shares were not issued as of December 31, 2006, the transaction was originally valued at the share price as at December 31, 2006 of \$0.34 per common share for total proceeds of \$473,505. As such, there is a resulting adjustment to the mining claim cost of \$41,779 upon issuance of these common shares, allocated between the Mabale Hills tenement and the Nyamirembe tenement based on their proportionate square footage in the amounts of \$18,833 and \$22,946 respectively.

The company has made contributions under the joint venture agreement and concurrent option agreement as described in Note 14, in excess of its 40% proportionate ownership in anticipation of achieving stage 4 of the agreement, whereby the company then earns a 70% proportionate ownership interest in the joint venture. Such excess contributions have been added to the cost of the company's mining claims governed by this joint venture agreement, the Mabale Hills tenement and Nyamirembe tenement, in the amount of \$283,451 (2007 - \$285,173) and \$283,451 (2007 - \$285,173) each respectively.

This property is subject to a royalty on gold payable under the terms of a Deed of Sale and Royalty dated May 29, 2004.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

7. Mining Claims (Continued)

Tanzania - Nyamirembe

Beneficial ownership of 40% of a mining tenement in the Lake Victoria gold field of Tanzania known as Nyamirembe covering 397 kilometres squared. This beneficial ownership is held through a joint venture agreement and concurrent option agreement as described in Note 14.

On December 19, 2007 the company issued 1,392,664 common shares in relation to a letter of agreement dated February 6, 2006, in which the company satisfied the 3rd stage of the joint venture agreement and has earned a 40% interest in the properties held by the joint venture as defined in the agreement, being Mabale Hills and Nyamirembe. The fair value of the common shares issued was \$0.31 per common share for total proceeds of \$431,726. Since the common shares were not issued as of December 31, 2006, the transaction was originally valued at the share price as at December 31, 2006 of \$0.34 per common share for total proceeds of \$473,505. As such, there is a resulting adjustment to the mining claim cost of \$41,779 upon issuance of these common shares, allocated between the Mabale Hills tenement and the Nyamirembe tenement based on their proportionate square footage in the amounts of \$18,833 and \$22,946 respectively.

The company has made contributions under the joint venture agreement and concurrent option agreement as described in Note 14, in excess of its 40% proportionate ownership in anticipation of achieving stage 4 of the agreement, whereby the company then earns a 70% proportionate ownership interest in the joint venture. Such excess contributions have been added to the cost of the company's mining claims governed by this joint venture agreement, the Mabale Hills tenement and Nyamirembe tenement, in the amount of \$283,451 (2007 - \$286,006) and \$283,451 (2007 - \$286,006) each respectively.

This property is subject to a royalty on gold payable under the terms of a Deed of Sale and Royalty dated May 29, 2004.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

7. Mining Claims (Continued)

Tanzania - Sekenke

Beneficial ownership of 30% of a mining tenement in Tanzania known as Sekenke, covering 1,885 kilometres squared. This beneficial ownership is held through an option and joint venture agreement as described in Note 14, in which the company has a potential to earn up to a 70% beneficial interest on the property.

On February 16, 2007, the company issued 164,286 common shares at a fair value of \$0.305 per share for a total value of \$50,107 pursuant to the first stage obligation under the option agreement described in Note 14.

On May 14, 2007, the company issued 397,714 common shares at a fair value of \$0.38 per share for a total value of \$151,131 pursuant to the second stage obligation under the option agreement described in Note 14.

On December 17, 2008, the company issued 833,333 common shares at a fair value of \$0.02 per share for a total value of \$16,667. The common shares had a deemed value of \$0.18 per common share on May 7, 2008, the date on which they were approved for issuance by the board. This deemed value is equivalent to the \$150,000 U.S. required pursuant to the second stage obligation under the option agreement described in Note 14.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

8. Deferred Exploration Expenditures

	Opening	Additions	Transfer	Write-offs	Closing
2008					
Scadding Township Tanzania	\$ 553,952	\$ 28,514	-	-	\$ 582,466
Jubilee Reef	2,403	-	-	-	2,403
Mabale Hills	685,232	204,932	-	-	890,164
Nyamirembe	44,985	769	-	-	45,754
Sekenke	65,001	251,665	-	-	316,666
	\$ 1,351,573	\$ 485,880	-	-	\$ 1,837,453
2007					
Scadding Township Tanzania	\$ 535,812	\$ 18,140	-	-	\$ 553,952
Jubilee Reef	406	1,997	-	-	2,403
Mabale Hills	294,381	390,851	-	-	685,232
Nyamirembe	37,646	7,339	-	-	44,985
Sekenke	-	65,001	-	-	65,001
	\$ 868,245	\$ 483,328	-	-	\$ 1,351,573

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

9. Shareholder's Equity

Common Shares and Common Share Purchase Warrants

The common shares are authorized for an unlimited number to be issued.

On July 10, 2007, a private placement was completed for the issuance of 2,000,000 units consisting of one common share and one half common share purchase warrant at a price of \$0.40 per unit for total consideration of \$800,000. The common shares are allotted at an issue price of \$0.3999 per share and the half common share purchase warrants are allotted at an issue price of \$0.0001 per half warrant. As part of this private placement, the company paid \$60,000 in cash and issued 200,000 common share purchase warrants as an agency fee, which has been deducted from share capital as a cost of issuance. A full common share purchase warrant entitles the owner to purchase one common share at \$0.55 each until January 10, 2009.

On November 8, 2007, a private placement was completed for the issuance of 5,215,000 units consisting of one common share and one half common share purchase warrant at a price of \$0.32 per unit for total consideration of \$1,668,800. As part of this private placement, the company paid \$104,280 in cash, issued 63,375 units consisting of one common share and one half common share purchase warrant and issued 521,500 common share purchase warrants, as an agency fee, which has been deducted from share capital as a cost of issuance. The common shares are allotted at an issue price of \$0.3199 per share and the half common share purchase warrants are allotted at an issue price of \$0.0001 per half warrant. A full warrant entitles the owner to purchase one common share at \$0.45 each until May 8, 2009.

At various times during the year ended December 31, 2007, 2,294,170 common shares were issued upon the exercise of 2,294,170 common share purchase warrants at a price of \$0.25 per common share for total consideration of \$573,543.

On October 2, 2007, 1,213,328 common share purchase warrants expired.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

9. Shareholder's Equity (Continued)

Stock Options

The company has a Stock Option Plan which allows for the granting of stock options to directors, officers, employees and consultants as additional compensation for services rendered, with such options generally being exercisable over a five year period. The options are generally required to have an exercise price no less than the market price prevailing on the day the option is granted. The maximum number of common shares which may be issued pursuant to options granted under the stock option plan is 9,480,956 (2007 - 7,086,904). The stock option plan provides that the number of common shares issuable to any one optionee, together with all of the company's other previously established or proposed share compensation arrangements to that optionee, may not exceed 20% of the total number of issued and outstanding common shares of the company. In addition, the number of common shares which may be reserved for issuance to any one consultant or any one investor relations individual shall not exceed 2% on a yearly basis and to any other one individual may not exceed 5% on a yearly basis. The options granted for periods of greater than eighteen month under the plan vest at a rate of 25% upon regulatory approval and 25% every six months thereafter unless otherwise specified. The options granted for periods less than eighteen months vest immediately. Upon change in control, as defined by the Income Tax Act, all outstanding options immediately become vested.

On March 29, 2007, as compensation for a consulting agreement, the company granted options for the purchase up to 200,000 common shares at a price of \$0.35 per share, exercisable up to March 29, 2012 as long as the consultant remains under contract with the company. The total fair value of the options granted was calculated to be \$7,947. These options expired during the year as the individual is no longer under contract with the company.

On June 22, 2007, as directors' compensation, the company granted options for the purchase of up to 1,470,000 common shares to six directors at a price of \$0.45 per share, exercisable up to June 22, 2012. The total fair value of the options granted was calculated to be \$111,354.

On August 1, 2008, as compensation for an employment agreement, the company granted options for the purchase up to 300,000 common shares at a price of \$0.45 per share, exercisable up to August 1, 2013. The total fair value of the options granted was calculated to be \$nil.

In calculating the fair value of stock options issued, the company used the following assumptions. A risk free interest rate of 3.24% (2007 - 3.96% to 4.63%), an average expected life of five years, expected volatility based on the historical activity of the stock price over the past five years being 9.40% (2007 - 11.94% to 14.14%) and expected dividend yield of nil for both years. 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.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

9. Shareholder's Equity (Continued)

Stock Options (Continued)

The following is detailed information regarding options outstanding at December 31, 2008 and 2007. As at December 31, 2008, a total of 5,700,000 of stock options have vested and are exercisable at a weighted average price of \$0.33.

	Number		Weighted average exercise price
Outstanding, December 31, 2006	4,715,000	\$	0.29
Granted	1,670,000		0.44
Expired	(560,000)		0.29
<hr/>			
Outstanding, December 31, 2007	5,825,000	\$	0.34
Granted	300,000		0.45
Expired	(200,000)		0.35
<hr/>			
Outstanding, December 31, 2008	5,925,000	\$	0.34

On the 300,000 stock options granted during the year, the following information is provided:

	Weighted average Fair Value		Weighted average exercise price
Stock Options where:			
Exercise price exceeds market value on grant date	\$ 0.00	\$	0.45
<hr/>			
Total	\$ 0.00	\$	0.45

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

9. Shareholder's Equity (Continued)

Stock Options (Continued)

The following table provides additional information with respect to the company's stock options outstanding at **December 31, 2008**.

Exercise price	Outstanding December 31 2008	Weighted average exercise price	Weighted average life to expiry (Years)
\$ 0.20	1,805,000		0.21
0.23	250,000		1.13
0.30	600,000		1.70
0.40	1,500,000		1.22
0.45	1,770,000		3.66
	5,925,000	\$ 0.34	1.99

Shareholder Rights Plan

Under a Shareholder Rights Plan Agreement (the "Agreement"), dated April 26, 2007, the company has issued rights which attach to the company's common shares on a one for one basis.

These rights allow the common shareholder (except for a shareholder who has reached more than 20% beneficial ownership in the company as defined in the Agreement) to receive a specified number of common shares equal to the market value of two times the exercise price of the right, as determined by the Agreement, in exchange for the payment of the exercise price as determined by the Agreement, on the exercise date, which is ten trading days after the earlier of : (i) Date of the public announcement that one shareholder has reached more than 20% beneficial ownership in the company as defined in the Agreement; (ii) Date of commencement of a Take-over bid other than a permitted Bid or a Competing Bid as defined in the Agreement; and (iii) Date on which a permitted Bid or a Competing Bid as defined in the Agreement ceases to be such.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

9. Shareholder's Equity (Continued)

Shareholder Rights Plan (Continued)

These rights can be redeemed by the board of directors, only if all rights issued are redeemed at the same time, at a redemption price of \$0.00001 per right at any time prior to the exercise date noted above. These rights are also deemed to be 100% redeemed by the board of directors, at a redemption price of \$0.00001 per right on the date of a Permitted bid as defined in the Agreement.

These rights expire the earlier of: (i) Exercise date of the rights; (ii) Redemption date of the rights; (iii) June 22, 2010, assuming no further approval of the continuation of the Rights Plan; and (iv) Three years from the date of final date of approval of the continuation of the Rights Plan.

10. Lake Victoria Joint Venture

The following summarizes the company's proportionate share of the assets, liabilities, revenue expenses and net loss of the joint venture described in Note 3.

	<u>2008</u>	<u>2007</u>
Current Assets		
Cash	\$ 18,331	\$ 35,131
Accounts receivable	2,677	4,821
Prepaid expenses	426	221
Long-Term Assets		
Deferred exploration expenditures	935,918	730,216
Current Liabilities		
Accounts payable and accrued liabilities	44,989	159,044
Revenue		
Interest	14	1,068
Expenses		
Management compensation	(6,175)	6,708
Office expense	41,512	156,719
Professional services	8,177	9,840
Travel	9,107	25,701
Net Loss	<u>\$ (52,607)</u>	<u>\$ (197,900)</u>

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

10. Lake Victoria Joint Venture (Continued)

The following summarizes the proportionate share of the cash flow of the joint venture described in Note 3 for the periods ended.

	2008	2007
Cash Provided By (Used In)		
Operating Activities		
Net loss for the year	\$ (52,607)	\$ (197,900)
Changes in non-cash working capital balances		
Accounts receivable	2,144	358
Prepaid expenses	(205)	(221)
Accounts payable and accrued expenses	(114,055)	144,135
	(164,723)	(53,628)
Investing Activities		
Deferred exploration expenditures	(205,702)	(360,559)
Financing Activities		
Increase in contributions	353,625	429,412
Increase (Decrease) in Cash During the Year	(16,800)	15,225
Cash, beginning of the year	35,131	19,906
Cash, end of the year	\$ 18,331	35,131

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

11. Related Party Transactions

Related parties include management and directors of Currie Rose Resources Inc. Transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed to by the related parties. The following is a summary of transactions with related parties:

	<u>2008</u>	<u>2007</u>
Expenditures		
Directors' compensation	\$ -	\$ 111,354
Management compensation	73,700	65,000
Office and admin expense	42,000	-

The company is party to a management agreement with the CEO, a related party, for \$10,000 per month, comprised of \$1,000 for office and equipment rental, \$2,500 for secretarial services and \$6,500 for the fees of the CEO. This agreement shall continue indefinitely until terminated by the company or the CEO. In the event of termination without cause, the company must pay \$60,000 as compensation to the CEO.

12. Income Taxes

The following is an explanation of the relationship between income tax expense and accounting income.

	<u>2008</u>	<u>2007</u>
Accounting loss before tax	\$ (466,741)	\$ (547,673)
Tax on accounting loss at applicable statutory rate (2008 - 33.50% 2007 - 36.12%)	\$ (156,358)	\$ (197,819)
Tax effect of expenses relating to the origination and reversal of temporary differences	21,304	(92,737)
Increase in valuation allowance	135,054	290,556
Tax Expense	\$ -	\$ -

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

12. Income Taxes (Continued)

The tax effect of the temporary differences that gives rise to future tax assets as of December 31, 2008 and December 31, 2007 is presented below. No benefit has been recorded in these financial statements as there is no assurance that the company will generate taxable income to utilize these differences.

	<u>2008</u>	<u>2007</u>
Tax effect of temporary differences relating to long-term investment	\$ 4,450	\$ 1,595
Tax effect of temporary differences relating to share issuance costs	56,218	83,642
Tax effect of temporary differences relating to mining claims and deferred expenditures	399,208	458,771
Tax effect of temporary differences relating to deduction of capital and non-capital losses	365,319	297,900
Valuation allowance	(825,195)	(841,908)
	<u>\$ -</u>	<u>\$ -</u>

13. Loss per Common Share

Basic loss per common share for the year was calculated based on a weighted average of 47,568,905 common shares outstanding (December 31, 2007 - 38,272,158). Diluted loss per common share for the year was not calculated as the effect would be anti-dilutive for both the years ended 2008 and 2007.

Details of anti-dilutive potential securities outstanding not included in diluted EPS calculations at December 31, 2008 and December 31, 2007 are as follows:

	<u>2008</u>	<u>2007</u>
Anti-dilutive potential securities		
Common shares potentially assumable:		
-pursuant to warrants	4,360,688	4,360,688
-under stock options	5,925,000	5,625,000
	<u>10,285,688</u>	<u>9,985,688</u>

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

14. Option and Joint Venture Agreements

Tanzania - Jubilee Reef

The company is party to a Farm-in and Joint Venture Agreement ("The Agreement") with another party, dated August 24, 2006. The Agreement includes two of the three mining tenements of Jubilee Reef, covering 58.5 kilometres squared. The other party can earn up to a 70% interest in the properties as follows:

1st stage: Earn a 51% interest by incurring minimum expenditures over three years from the date of the agreement, with minimum expenditure requirements as follows:

Year one: US\$300,000; Year two: US\$300,000 and Year three: US\$400,000

The other party has the ability to withdraw from the agreement after the year one minimum requirement has been met with no further interest in the property existing. The other party to the agreement has not indicated any desire to withdraw from the agreement with the company as at December 31, 2008.

As at December 31, 2008, the amount incurred on the property by the third party is unknown by the company (2007 - US\$466,876). However, it is the company's intention to remain a party to the agreement until at least the end of year three on August 24, 2009, regardless of whether the year two minimum requirement has been met or not by the other party.

2nd stage: The company must elect to contribute pro rata to retain its 49% interest or can allow the other party to earn an additional 19% interest by further incurring expenditures of US\$2,000,000 within four years after issuance of notice of election.

The joint venture commencement date will be when both parties are contributing to expenditures upon completion of the second stage of the farm-in agreement. In the event that either party does not contribute to expenditures on a pro-rata upon entering into a joint venture, their respective interest will be diluted.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

14. Option and Joint Venture Agreements (Continued)

Tanzania - Mabale Hills and Nyamirembe

The company is party to a Joint Venture Agreement and concurrent Option Agreement ("The Agreement") in which it currently holds a 40% interest. The Agreement allows the company the ability to earn up to a 70% interest in properties based on the following:

4th stage: Earn a further 30% interest by funding one of the properties through a feasibility study by November 30, 2012, at which point the parties to the agreement will then contribute costs on a pro-rata basis based on their respective joint venture interests.

In the event that the company does not elect to earn the interest as noted in the 4th stage, then the parties to the agreement maintain a joint venture with the company's share being 40% at which point the parties to the joint venture will then contribute costs on a pro-rata basis based on their respective joint venture interests.

The option agreement contains a purchase option, whereby the company has the right to purchase the other parties interest within one year after completion of the 3rd stage under the joint venture agreement. The agreement also contains a sale option, whereby the other party has the right to sell its interest to the company within one year after completion of the 3rd stage under the joint venture agreement. The purchase price of the other party's interest will be calculated based on fair market value, defined as per the option agreement, to be issued in the form of common shares of the company. Upon exercise of either option, an additional representative of the other party shall be appointed to the board of directors of the company.

On February 25, 2009, the other party to the joint venture informed the company that it has accepted an offer to sell its share of the joint venture to a third party. Under the joint venture agreement, the company has 120 days to exercise its right of first refusal, at an exercise price of \$AU100,000 on the joint venture's properties (Mabale Hills and Nyamirembe). The company intends to exercise its right of first refusal which will result in the company having a 100% beneficial interest in the Mabale Hills and Nyamirembe tenements described in Note 7.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

14. Option and Joint Venture Agreements (Continued)

Tanzania - Sekenke

The company is party to an option and joint venture agreement in which it currently holds a 30% interest. The Agreement allows the company the ability to earn up to a 70% interest in the property based on the following:

2nd stage: Earn a further 21% interest by making payments to the other party as follows:

- US \$100,000 in cash or issuance of the company's common shares by April 3, 2007, which has been satisfied as described in note 7;
- US \$150,000 in cash or issuance of the company's common shares by April 3, 2008, which has been satisfied as described in note 7;
- US \$150,000 in cash or issuance of the company's common shares by April 3, 2009 and funding a minimum value of US\$1,000,000 towards exploration

In the event the company completes this stage, the parties to the joint venture agree that in the event the parties agree to sell or joint venture the project to a third party that the project will be sold or joint ventured on a pro rata basis. During this "Hold Period", the company will maintain the licenses in good standing. However, should the "Hold Period" exceed the time frame set out in Stage 3, the company will continue to maintain the licenses in good standing but on sale of the project, the company will be deemed to have earned a 60% interest in the project.

3rd stage: Earn a further 19% interest by funding one of the properties through a feasibility study by April 3, 2009, at which point the parties to the agreement will then contribute costs on a pro-rata basis based on their respective joint venture interests.

On March 14, 2009, the company entered into an amendment to the option and joint venture agreement noted above, to read as follows:

2nd stage: Earn a further 21% interest by making payments to the other party as follows:

- Issuance of 250,000 common shares upon acceptance of the amended agreement; which was satisfied on March 30, 2009;
- Issuance of 250,000 common shares by March 14, 2010
- Issuance of 250,000 common shares by March 14, 2011;
- Issuance of 250,000 common shares by March 14, 2012;
- Funding a minimum value of US\$650,000 towards exploration by March 14, 2012

3rd stage: Earn a further 19% interest by funding one of the properties through a feasibility study by March 14, 2014, at which point the parties to the agreement will then contribute costs on a pro-rata basis based on their respective joint venture interests.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

15. Segment Disclosure

The company considers a reportable segment to be a component of their operations which engages in business activities that earn revenues and incur expenses and whose operating results are regularly evaluated through a review of discrete financial information. The company has identified as a reportable segment based on geography, its 40% interest in the Lake Victoria joint venture located in Tanzania. This joint venture is expected to derive its revenue from the commercial development and sale of ore deposits on the related properties. The company's share of assets, liabilities, revenues, expenses and net loss of this joint venture are disclosed in Note 10. The company has recognized their share of these items in their financial statements based on the consolidation method described in Note 3.

16. Financial Instruments and Capital Disclosures

Fair Values

	2008		2007	
	Cost	Fair Value	Cost	Fair Value
Financial assets designated as held for trading	\$ 845,881	\$ 815,791	\$ 2,443,915	\$ 2,442,535
Financial liabilities designated as held for trading	69,252	69,252	176,268	176,268

Financial Risks

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due in the short-term due to a shortfall of working capital and in the long-term due to lack of sufficient capital. Management has mitigated this short-term liquidity risk by maintaining adequate working capital reserves in the form of short-term investments that are cashable at any time. Management has mitigated its long-term liquidity risk by stipulating in certain option agreements that payments may be made in common shares at the Company's election and through good relations with external capital markets. There has been no change in this risk exposure or how it is managed since the prior reporting period. As at December 31, 2008 and December 31, 2007, the Company believes the exposure to liquidity risk is minimal as it holds no financial liabilities other than current accounts payable and accrued expenses which are adequately covered through excess working capital and it has no funding commitments that are not at its discretion.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

16. Financial Instruments and Capital Disclosures (Continued)

Financial Risks (Continued)

Credit Risk

The Company is exposed to credit risk on its accounts receivable, with the potential for loss due to the failure to collect production penalties owed to the Company under an option agreement on the Laonil Lake property described in Note 7. The Company has mitigated its risk through a clause in this option agreement, whereby if the beneficial owner fails to make payment for two consecutive years, full ownership of the mining claim reverts back to the Company. The Company is in regular contact with the other party to the option agreement regarding the status of mining on this property and on an annual basis confirms the tonnage extracted and its eligibility to collect the related production penalty. There has been no change in this risk exposure or how it is managed since the prior reporting period. As at December 31, 2008 and December 31, 2007, the Company's maximum exposure to this risk is \$100,000 (2007 - \$15,364) in cash and its short-term investment recorded on the balance sheet, net of any expected deposit insurance proceeds that could be received in the event of loss.

Interest Rate Risk

The Company is exposed to interest rate risk as its short-term investment earns interest on a prime plus formula, which is subject to normal market fluctuations. The Company manages its short-term investment balance based on its short and long-term cash flow requirements and it attempts to optimize its interest income through regular monitoring of current market interest rates and expected trends. There has been no change in this risk exposure or how it is managed since the prior reporting period.

Based on the amount of short-term investment held at December 31, 2008 and December 31, 2007, in the event rates were to change by 0.25%, there would be an insignificant effect on the company's earnings on an annualized basis.

Foreign Exchange Risk

The Company is exposed to foreign exchange risk as the various joint venture and option agreements described in Note 14 require contributions to be made in U.S. currency. As well, the Company's wholly owned subsidiary and joint venture have various bank accounts denominated in U.S., Australian and Tanzanian currency. The value of the U.S., Australian and Tanzanian currency is subject to normal market fluctuations. The Company has not entered into any arrangements to hedge foreign currency risks at this time, but it does monitor exchange rates on a regular basis. There has been no change in this risk exposure or how it is managed since the prior reporting period. As at December 31, 2008 a 1% change in the US or Tanzanian foreign exchange rate would have an insignificant effect on the company's earnings. The Company has a potential future minimum funding requirement under an option agreement described in Note 14 in the amount of \$650,000 U.S. In the event that exchange rates were to change by \$0.01, the Company's cost of this funding would change by an insignificant amount.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

16. Financial Instruments and Capital Disclosures (Continued)

Financial Risks (Continued)

Concentration Risk

The Company is exposed to concentration risk as the majority of its cash and its short-term investment are maintained with one financial institution. This risk is mitigated through the use of a major Canadian chartered bank. The Company monitors this financial institution on a regular basis and assesses the appropriateness of its relationship with this bank as the need arises. There has been no change in this risk exposure or how it is managed since the prior reporting period. As at December 31, 2008 and December 31, 2007, the Company's maximum exposure to this risk is the amounts in account receivable recorded on the balance sheets.

Market Risk

The Company is exposed to market risk on its long-term investment due to normal stock market fluctuations. The Company's objective is to hold this investment for the long-term, as liquidity allows, in order to minimize the effect of short-term market fluctuations. The Company also regularly monitors market activities to assess the recoverability of this investment in the long-term. There has been no change in this risk exposure or how it is managed since the prior reporting period.

As at December 31, 2008, based on the accounting policy chosen, the long-term investment balance is recorded on the balance sheet is its market value.

Commodity Price Risk

The value of the Company's mineral resource properties is related to the prices of gold and the outlook for such commodity.

Gold prices historically have fluctuated widely and are affected by numerous factors outside of the company's control, including, but not limited to, industrial and retail demand, central bank lending, forward sales by producers and speculators, level of worldwide production, short-term changes in supply and demand because of speculative investing activities, macro-economic and political variables and certain other factors related specifically to gold.

The long term profitability of the Company's operation is highly correlated to the market price of gold. To the extent that the price increases, asset values increase and cash flow improve conversely, declines in prices will directly impact value and cash flows. A protracted period of depressed prices could impair the Company's operations and development opportunities and significantly erode shareholder value.

Currie Rose Resources Inc.
Notes to Consolidated Financial Statements

December 31, 2008 and 2007

16. Financial Instruments and Capital Disclosures (Continued)

Capital Disclosures

The Company's objectives when managing capital are: to ensure that there are adequate resources to sustain operations and to continue as a going concern; to maintain adequate funding to support acquisition obligations and exploration of mineral claims and to maintain investor confidence, all with a view to providing a return on shareholders' investment. Funds are primarily obtained through the issuance of common shares as equity capital. Such issuance of common shares is usually done as private placements.

The Company considers the items included in the Statement of Shareholders' Equity to be capital and it manages the capital structure and makes adjustments to it with an awareness of changes in economic conditions, the risk nature of the underlying assets and the future capital requirements to maintain those assets. The Company is not subject to any externally imposed capital requirements.

17. Recently Issued Accounting Pronouncements

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 accountable enterprises to use IFRS, replacing Canada's own GAAP. The transition date is for interim and annual financial statements related to fiscal years beginning on or after January 1, 2011. The Company's first period end under IFRS will be March 31, 2011. The transition date for the Company will be January 1, 2011 and will require the restatement for comparative purposes of amounts reported by the Company for the period ended March 31, 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.

In February 2008, the Canadian Institute of Chartered Accountants ("CICA") issued Handbook Section 3064 - Goodwill and Other Intangible Assets, replacing the current Section 3062 - Goodwill and Other Intangible Assets and Section 3450 - Research and Development Costs. It establishes standards for the recognition, measurement and disclosure of goodwill and other intangible assets. These standards are effective for interim and annual financial statements related to fiscal years beginning on or after October 1, 2008 and as such will be effective for the Company on January 1, 2009. Management is evaluating the impact of this standard upon adoption on January 1, 2009.