

**ROMIOS GOLD RESOURCES INC.**

**QUARTERLY REPORT**

**For the nine and three months ended  
March 31, 2008**

# ROMIOS GOLD RESOURCES INC.

## CONSOLIDATED BALANCE SHEETS (Unaudited)

<i>As at</i>	<i>March 31, 2008</i>	<i>June 30, 2007</i>
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents (see notes)	\$ 244,652	\$ 1,657,920
Cash and cash equivalents for future exploration (see notes)	5,096,628	1,805,196
Receivables	305,794	152,207
Prepaid expenses	95,161	243,055
	5,742,235	3,858,378
<b>Interest in mineral properties (see notes)</b>		
Acquisition costs	2,155,083	1,013,796
Deferred exploration expenditures	5,649,100	3,314,612
	7,804,183	4,328,408
<b>Equipment</b>	2,509	9,223
	\$ 13,548,927	\$ 8,196,009
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 100,579	\$ 401,439
<b>Future income tax</b>	2,072,941	555,941
<b>SHAREHOLDERS' EQUITY</b>		
<b>Capital stock</b>	13,709,311	9,048,299
<b>Contributed surplus</b>	1,550,352	1,160,727
<b>Deficit</b>	(3,884,256)	(2,970,397)
	11,375,407	7,238,629
	\$ 13,548,927	\$ 8,196,009

See notes to the Consolidated Financial Statements

**ROMIOS GOLD RESOURCES INC.**

**CONSOLIDATED STATEMENTS OF LOSS, COMPREHENSIVE LOSS AND DEFICIT**  
(Unaudited)

**FOR THE NINE AND THREE MONTHS ENDED MARCH 31, 2008**

	<i>Nine months ended Mar 31, 2008</i>	<i>Nine months ended Mar 31, 2007</i>	<i>Three months Ended Mar 31, 2008</i>	<i>Three months Ended Mar 31, 2007</i>
<b>Operating expenses</b>				
Professional fees	\$ 241,389	\$ 143,582	\$ 89,106	\$ 76,745
Stock option compensation	389,625	-	96,750	-
Office and general	405,000	242,093	92,514	149,056
Management fees and salaries	112,500	56,250	37,500	18,750
Depreciation	6,714	213	2,238	71
	<u>1,155,228</u>	<u>442,948</u>	<u>318,108</u>	<u>244,622</u>
<b>Other items</b>				
Abandonments and write-offs	67,744	-	67,744	-
Interest income	76,113	46,815	36,494	44,612
	<u>(1,146,859)</u>	<u>(396,133)</u>	<u>(349,358)</u>	<u>(200,010)</u>
<b>Net loss and comprehensive loss for the period before income tax</b>				
<b>Future income tax recovery</b>	233,000	-	98,000	-
	<u>(913,859)</u>	<u>(396,133)</u>	<u>(251,358)</u>	<u>(200,010)</u>
<b>Net loss and comprehensive loss for the period</b>				
<b>Deficit, beginning of period</b>	<u>(2,970,397)</u>	<u>(1,855,124)</u>	<u>(3,632,898)</u>	<u>(2,051,247)</u>
<b>Deficit, end of period</b>	<u>\$ (3,884,256)</u>	<u>\$ (2,251,257)</u>	<u>\$ (3,884,256)</u>	<u>\$ (2,251,257)</u>
<b>Basic and diluted loss per share</b>	<u>\$ (0.016)</u>	<u>\$ (0.010)</u>	<u>\$ (0.004)</u>	<u>\$ (0.004)</u>
<b>Weighted average number of common shares outstanding</b>	<u>58,508,391</u>	<u>38,573,927</u>	<u>67,574,747</u>	<u>48,305,990</u>

See notes to the Consolidated Financial Statements

## ROMIOS GOLD RESOURCES INC.

### CONSOLIDATED STATEMENTS OF CASH FLOW (Unaudited) FOR THE NINE AND THREE MONTHS ENDED MARCH 31, 2008

	<i>Nine months Ended Mar 31, 2008</i>	<i>Nine months ended Mar 31, 2007</i>	<i>Three months ended Mar 31, 2008</i>	<i>Three months Ended Mar 31, 2007</i>
<b>Cash Flows - Operating Activities</b>				
Loss from operations	\$ (913,859)	\$ (396,133)	\$ (251,358)	\$ (200,010)
Adjustments for:				
Depreciation	6,714	213	2,238	71
Stock option compensation	389,625	-	96,750	-
Future income tax recovery	(233,000)	-	(98,000)	-
Abandonments	67,744		67,744	
Non-cash working capital items	(306,553)	(277,247)	(435,721)	(119,202)
	<u>(989,329)</u>	<u>(673,167)</u>	<u>(618,347)</u>	<u>(319,141)</u>
<b>Cash Flows - Financing Activities</b>				
Shares issued for cash	5,346,562	4,703,991	(19,745)	1,708,709
<b>Cash Flows - Investing Activities</b>				
Investments in mineral properties	(108,637)	(65,000)	(1,190)	-
Deferred exploration expenditures	(2,370,432)	(749,777)	(125,828)	(178,125)
	<u>(2,479,069)</u>	<u>(814,777)</u>	<u>(127,018)</u>	<u>(178,125)</u>
<b>Net change</b>	1,878,164	3,216,047	(765,110)	1,211,443
<b>Cash and cash equivalents, beginning of period</b>	<u>3,463,116</u>	<u>1,110,621</u>	<u>6,106,390</u>	<u>3,115,225</u>
<b>Cash and cash equivalents, end of period</b>	<u>\$ 5,341,280</u>	<u>\$ 4,326,668</u>	<u>\$ 5,341,280</u>	<u>\$ 4,326,668</u>
<b>Cash and cash equivalents</b>				
Cash and cash equivalents	\$ 244,652	\$ 1,637,241	\$ 244,652	\$ 1,637,241
Cash and cash equivalents held for future exploration	5,096,628	2,689,427	5,096,628	2,689,427
	<u>\$ 5,341,280</u>	<u>\$ 4,326,668</u>	<u>\$ 5,341,628</u>	<u>\$ 4,326,668</u>
<b>Supplemental cash flow information</b>				
Non-cash investing and financing Activities				
Common shares and warrants issued for property acquisition	\$ 1,064,450	\$ 32,650	\$ 1,000,000	\$ -
Common shares and warrants issued for finders fee	410,441	111,000	60,410	-
	<u>\$ 1,474,891</u>	<u>\$ 143,650</u>	<u>\$ 1,060,410</u>	<u>\$ -</u>

See notes to the Consolidated Financial Statements

# ROMIOS GOLD RESOURCES INC.

## Notes to Consolidated Financial Statements March 31, 2008

### Accounting Policies

These interim, unaudited, consolidated financial statements follow the same accounting policies as the consolidated financial statements for the year ended June 30, 2007, and are prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP"). The disclosures contained in these interim statements do not include all requirements of GAAP for annual financial statements, and accordingly, these interim, unaudited, consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended June 30, 2007.

In the opinion of management, all adjustments considered for a fair presentation have been included. As the Company does not have any operations, the loss reflected in the financial statements is largely a function of the level of exploration and project evaluation activity, which fluctuates from quarter to quarter.

### Cash and cash equivalents

Cash and cash equivalents and cash and cash equivalents held for future exploration consists of cash and investments in Canadian Chartered Bank demand money market funds.

### Mineral Properties

On December 13, 2007 the Company announced that it had earned its 50% interest in the Gulf Claims forming part of the Company's Newmont Lake Property and had advised Gulf International Minerals Ltd. that it will exercise its option to earn an additional 25% interest in consideration for the payment of up to \$1,000,000 in cash and/or shares of Romios on or before January 31, 2008 (the "75% Option") to hold a 75% working interest in the Gulf Claims.

The parties entered into an Amending Agreement dated November 26, 2007 pursuant to which Romios was granted the option to earn a further 25% interest in the property (for a total of a 100% interest) for a period of 30 months from the date Romios earns its 75% interest in the property by paying to Gulf an additional \$2,000,000 in cash and/or shares of Romios and granting to Gulf a 1.5% net smelter return royalty in the property. Romios will have the right to purchase a 0.5% net smelter return royalty from Gulf for the payment of \$1,000,000. If Romios does not exercise the final option, then the parties will form a joint venture with Romios having a 75% participating interest and Gulf having a 25% participating interest in the joint venture.

The Company elected to satisfy its financial requirements for the exercise its option to increase its interest to 75% by the issuance of 2,777,778 common shares priced at \$0.36 per share on January 31, 2008.

### Mineral Properties

	<i>Galore Creek</i>		
	<i>British Columbia</i>	<i>Other</i>	<i>Total</i>
Balance, December 31, 2007	\$ 819,235	\$ 366,448	\$ 1,185,683
Additions	1,000,000	1,200	1,001,200
Abandonments and write-offs	(31,800)		(31,800)
Balance, March 31, 2008	\$ 1,787,435	\$ 367,648	\$ 2,155,083

**Deferred Exploration Expenditures**

	<b>Galore Creek</b>		
	<b>British Columbia</b>	<b>Other</b>	<b>Total</b>
Balance, December 31, 2007	\$ 4,436,925	\$ 1,145,174	\$ 5,582,099
Additions			
Assaying	8,080		8,080
Geological surveys	5,175		5,175
Airborne geophysics	10,327		10,327
Induced polarization	30,000		30,000
Contract labour	45,356	1,300	46,656
Camp costs	2,213		2,213
Site costs	449		449
General and administration		45	45
	<u>101,600</u>	<u>1,345</u>	<u>102,945</u>
Abandonments and write-offs	<u>(35,944)</u>	<u>-</u>	<u>(35,944)</u>
Balance, March 31, 2008	<u>\$ 4,502,581</u>	<u>\$ 1,146,519</u>	<u>\$ 5,649,100</u>

**Share Capital**

Common shares outstanding as at March 31, 2008

	<b>Number</b>	<b>Amount</b>
<b>Balance, December 31, 2007</b>	<b>65,704,056</b>	<b>\$ 14,479,056</b>
Issued for property acquisition	2,777,778	1,000,000
Exercise of stock options	29,159	7,290
Share issue costs		(27,035)
Future tax reduction – flow-through shares		(1,750,000)
<b>Balance, March 31, 2008</b>	<b>68,510,993</b>	<b>\$ 13,709,311</b>

Warrants outstanding as at March 31

	<b>Number</b>
<b>Balance, December 31, 2007 and March 31, 2008</b>	<b>10,621,963</b>

Options outstanding as at March 31, 2008

	<b>Number</b>
<b>Balance, December 31, 2007</b>	<b>4,805,876</b>
Exercised during the quarter	29,159
Lapsed during the quarter	61,217
<b>Balance, March 31, 2008</b>	<b>4,715,500</b>

As at March 31, 2008, the company has reserved an additional 1,350,000 common shares to meet commitments under various property acquisition agreements (200,000 common shares were issued on April 3, 2008).

The number of common shares outstanding on March 31, 2008 was 68,510,993. Taking into account outstanding share purchase options, warrants and shares reserved under property acquisition agreements, the fully diluted potential common shares outstanding is 85,198,456.

## **Financial Instruments, Comprehensive Income and Hedges**

CICA Handbook Sections 3855, "Financial Instruments – Recognition and Measurement, 1530, "Comprehensive Income", and 3865, "Hedges" were adopted, effective July 1, 2007, on a prospective basis; accordingly, comparative amounts for prior periods have not been restated.

### **(a) Financial Instruments – Recognition and Measurement**

Section 3855 prescribes when a financial instrument is to be recognized on the balance sheet and at what amount. It also specifies how financial instrument gains and losses are to be presented and requires that:

- (i) All financial assets be measured at fair value on initial recognition and certain financial assets to be measured at fair value subsequent to initial recognition;
- (ii) All financial liabilities be measured at fair value if they are classified as held for trading purposes. Other financial liabilities are measured at amortized cost using the effective interest method; and
- (iii) All derivative financial instruments be measured at fair value on the balance sheet, even when they are part of an effective hedging relationship.

### **(b) Comprehensive Income**

Section 1530 introduces a new requirement to temporarily present certain gains and losses from changes in fair value outside net income. It includes unrealized gains and losses, such as: changes in currency translation adjustment relating to self-sustaining foreign operations; unrealized gain or losses on available-for-sale investments; and the effective portion of gains or losses on derivatives designated as cash flow hedges or hedges of the net investment in self-sustaining foreign operations.

### **(c) Hedges**

Section 3865 provides alternative treatments to Section 3855 for entities which choose to designate qualifying transactions as hedges for accounting purposes. It replaces and expands on Accounting Guideline 13 "Hedging Relationships", and the hedging guidance in Section 1650 "Foreign Currency Translation" by specifying how hedge accounting is applied and what disclosures are necessary when it is applied.

### **(d) Impact upon adoption of Sections 1530, 3855 and 3865**

The Company has evaluated the impact of Sections 1530, 3855 and 3865 on its financial statements and determined that no adjustments are currently required.

## **Notice of No Auditor Review**

As required to be stated under National Instrument 51-102, these interim, unaudited, consolidated financial statements have not been reviewed by the Company's independent chartered accountants, Wasserman Ramsay.