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**MAWSON RESOURCES LIMITED**

INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED  
NOVEMBER 30, 2008

*(Unaudited - Prepared by Management)*

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**MANAGEMENT'S COMMENTS ON UNAUDITED  
INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

The accompanying unaudited interim consolidated financial statements of Mawson Resources Limited for the six months ended November 30, 2008, have been prepared by and are the responsibility of the Company's management. These statements have not been reviewed by the Company's external auditors.

**MAWSON RESOURCES LIMITED**  
**INTERIM CONSOLIDATED BALANCE SHEETS**  
*(Unaudited - Prepared by Management)*

	<b>November 30, 2008</b>	<b>May 31, 2008</b>
	<b>\$</b>	<b>\$</b>
<b>A S S E T S</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	11,479,898	12,321,736
Amounts receivable	106,623	382,567
Prepaid expenses and deposits	6,373	29,488
Unproven mineral interests held for sale (Note 4(b))	-	1,630,000
	<u>11,592,894</u>	<u>14,363,791</u>
<b>CAPITAL ASSETS</b> , net of accumulated depreciation of \$92,984 (May 31, 2008 - \$60,847)	228,386	253,130
<b>INVESTMENTS</b> (Note 3)	228,305	-
<b>UNPROVEN MINERAL INTERESTS</b> (Note 4)	<u>5,151,864</u>	<u>4,539,081</u>
	<u><u>17,201,449</u></u>	<u><u>19,156,002</u></u>

**L I A B I L I T I E S**

<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	<u>221,166</u>	<u>473,396</u>

**S H A R E H O L D E R S ' E Q U I T Y**

<b>SHARE CAPITAL</b> (Note 5)	22,644,773	22,644,773
<b>CONTRIBUTED SURPLUS</b> (Note 7)	3,229,855	3,223,392
<b>DEFICIT</b>	(7,692,333)	(7,185,559)
<b>ACCUMULATED OTHER COMPREHENSIVE LOSS</b>	<u>(1,202,012)</u>	<u>-</u>
	<u>16,980,283</u>	<u>18,682,606</u>
	<u><u>17,201,449</u></u>	<u><u>19,156,002</u></u>

**SUBSEQUENT EVENT** (Note 13)

APPROVED BY THE DIRECTORS

“Michael Hudson”, Director

“Nick DeMare”, Director

*The accompanying notes are an integral part of these interim consolidated financial statements.*

**MAWSON RESOURCES LIMITED**  
**INTERIM CONSOLIDATED STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS**  
*(Unaudited - Prepared by Management)*

	Three Months Ended November 30,		Six Months Ended November 30,	
	2008	2007	2008	2007
	\$	\$	\$	\$
<b>EXPENSES</b>				
Accounting and administrative	6,580	10,000	23,080	17,000
Audit	29,286	25,096	44,254	25,096
Corporate development	2,570	8,929	9,192	17,786
Depreciation	17,333	3,899	32,137	12,498
Due diligence	-	199,579	-	199,579
General exploration	194,990	73,158	291,015	192,436
Investor relations	16,500	15,000	31,500	32,000
Legal	6,058	22,226	18,552	43,888
Management fees	31,656	31,694	63,884	64,617
Office and sundry	7,227	5,525	11,224	14,978
Professional fees	27,675	47,340	51,175	82,680
Regulatory fees	3,157	10,095	13,464	13,245
Rent	7,658	-	10,358	-
Shareholder costs	6,240	10,181	8,902	21,497
Stock-based compensation (Note 6)	-	34,500	6,463	77,925
Transfer agent	1,979	2,704	3,219	4,293
Travel	14,741	62,869	30,708	82,936
	<u>373,650</u>	<u>562,795</u>	<u>649,127</u>	<u>902,454</u>
<b>LOSS BEFORE OTHER ITEMS</b>	<u>(373,650)</u>	<u>(562,795)</u>	<u>(649,127)</u>	<u>(902,454)</u>
<b>OTHER ITEMS</b>				
Interest and other income	83,524	170,996	172,680	340,855
Foreign exchange	(12,567)	22,656	(30,327)	15,629
	<u>70,957</u>	<u>193,652</u>	<u>142,353</u>	<u>356,484</u>
<b>NET LOSS FOR THE PERIOD</b>	<u>(302,693)</u>	<u>(369,143)</u>	<u>(506,774)</u>	<u>(545,970)</u>
<b>OTHER COMPREHENSIVE LOSS</b>	<u>(902,012)</u>	<u>-</u>	<u>(1,202,012)</u>	<u>-</u>
<b>COMPREHENSIVE LOSS FOR THE PERIOD</b>	<u>(1,204,705)</u>	<u>(369,143)</u>	<u>(1,708,786)</u>	<u>(545,970)</u>
<b>LOSS PER SHARE - BASIC AND DILUTED</b>	<u>\$(0.03)</u>	<u>\$(0.01)</u>	<u>\$(0.05)</u>	<u>\$(0.02)</u>
<b>WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING</b>				
<b>- BASIC AND DILUTED</b>	<u>36,500,555</u>	<u>36,360,194</u>	<u>36,500,555</u>	<u>36,270,055</u>

*The accompanying notes are an integral part of these interim consolidated financial statements.*

**MAWSON RESOURCES LIMITED**  
**INTERIM CONSOLIDATED STATEMENTS OF DEFICIT AND**  
**ACCUMULATED OTHER COMPREHENSIVE LOSS**

*(Unaudited - Prepared by Management)*

	<u>Three Months Ended</u> <u>November 30,</u>		<u>Six Months Ended</u> <u>November 30,</u>	
	<u>2008</u> \$	<u>2007</u> \$	<u>2008</u> \$	<u>2007</u> \$
<b>DEFICIT - BEGINNING OF PERIOD</b>	(7,389,640)	(5,306,888)	(7,185,559)	(5,130,061)
<b>NET LOSS FOR THE PERIOD</b>	<u>(302,693)</u>	<u>(369,143)</u>	<u>(506,774)</u>	<u>(545,970)</u>
<b>DEFICIT - END OF PERIOD</b>	<u><u>(7,692,333)</u></u>	<u><u>(5,676,031)</u></u>	<u><u>(7,692,333)</u></u>	<u><u>(5,676,031)</u></u>
 <b>ACCUMULATED OTHER COMPREHENSIVE LOSS - BEGINNING OF PERIOD</b>	 -	 -	 -	 -
<b>UNREALIZED LOSS ON INVESTMENTS</b>	<u>(902,012)</u>	<u>-</u>	<u>(1,202,012)</u>	<u>-</u>
<b>ACCUMULATED OTHER COMPREHENSIVE LOSS - END OF PERIOD</b>	<u><u>(902,012)</u></u>	<u><u>-</u></u>	<u><u>(1,202,012)</u></u>	<u><u>-</u></u>

*The accompanying notes are an integral part of these interim consolidated financial statements.*

**MAWSON RESOURCES LIMITED**  
**INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
*(Unaudited - Prepared by Management)*

	Three Months Ended November 30,		Six Months Ended November 30,	
	2008	2007	2008	2007
	\$	\$	\$	\$
<b>CASH PROVIDED FROM (USED FOR)</b>				
<b>OPERATING ACTIVITIES</b>				
Net loss for the period	(302,693)	(369,143)	(506,774)	(545,970)
Adjustment for items not involving cash				
Depreciation	17,333	3,899	32,137	12,498
Stock-based compensation	-	34,500	6,463	77,925
	(285,360)	(330,744)	(468,174)	(455,547)
Decrease (increase) in amounts receivable	79,485	(23,538)	275,944	33,088
Decrease (increase) in prepaid expense	22,713	(6,584)	23,115	(66,311)
Decrease in accounts payable and accrued liabilities	(69,816)	(16,538)	(192,342)	(46,890)
	(252,978)	(377,404)	(361,457)	(535,660)
<b>INVESTING ACTIVITIES</b>				
Proceeds on disposition of unproven mineral interests held for sale	-	-	250,000	-
Purchase of capital assets	(31)	(76,686)	(7,393)	(140,174)
Expenditures on unproven mineral interests	(282,205)	(459,307)	(722,988)	(964,930)
	(282,236)	(535,993)	(480,381)	(1,105,104)
<b>FINANCING ACTIVITY</b>				
Issuance of common shares	-	77,500	-	120,938
<b>DECREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD</b>	(535,214)	(835,897)	(841,838)	(1,519,826)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD</b>	12,015,112	15,673,486	12,321,736	16,357,415
<b>CASH AND CASH EQUIVALENTS - END OF PERIOD</b>	11,479,898	14,837,589	11,479,898	14,837,589
<b>CASH AND CASH EQUIVALENTS IS COMPRISED OF:</b>				
Cash	421,650	1,119,610	421,650	1,119,610
Short term investments	11,058,248	13,717,979	11,058,248	13,717,979
	11,479,898	14,837,589	11,479,898	14,837,589

**SUPPLEMENTAL CASH FLOW INFORMATION** (Note 12)

*The accompanying notes are an integral part of these interim consolidated financial statements.*

**MAWSON RESOURCES LIMITED**  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED NOVEMBER 30, 2008**  
*(Unaudited - Prepared by Management)*

**1. NATURE OF OPERATIONS**

The Company is a resource company engaged in the acquisition and exploration of unproven mineral interests and is considered a development stage company as defined by Accounting Guidelines No. 11 of the Canadian Institute of Chartered Accountants (“CICA”) Handbook. As at November 30, 2008, the Company has not earned any production revenue, nor found proved reserves on any of its unproven mineral interests.

The Company is in the process of exploring and evaluating its mineral properties. On the basis of information to date, it has not yet determined whether these properties contain economically recoverable ore reserves. The underlying value of the mineral properties and related deferred costs is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. The amounts shown as unproven mineral interests represent net costs to date, less amounts written off, and do not necessarily represent present or future values.

Management considers that the Company has adequate resources to maintain its core operations and planned exploration programs for the 2009 fiscal year. However, the Company recognizes that exploration expenditures may change with ongoing results and, as a result, it may be required to obtain additional financing. While the Company has been successful in securing financings in the past, there can be no assurance that it will be able to do so in the future.

**2. SIGNIFICANT ACCOUNTING POLICIES**

These interim consolidated financial statements of the Company have been prepared by management in accordance with Canadian generally accepted accounting principles (“Canadian GAAP”). The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the amounts reported in the interim consolidated financial statements and accompanying notes. Actual results could differ from those estimates. The interim consolidated financial statements have, in management’s opinion, been properly prepared using careful judgement with reasonable limits of materiality. These interim consolidated financial statements should be read in conjunction with the most recent annual consolidated financial statements. The significant accounting policies follow that of the most recently reported annual financial statements.

***New Accounting Policies***

Effective June 1, 2008, the Company adopted the following new accounting policies on a prospective basis without restatements of prior periods.

(i) *Assessing Going Concern*

The Accounting Standards Board (“AcSB”) amended 1400, *General Standards of Financial Statement Presentation*, to include requirements for management to assess and disclose an entity’s ability to continue as a going concern. The adoption of this standard did not have an impact on the Company’s financial statements for the six months ended November 30, 2008.

(ii) *Financial Instruments*

Section 3862, *Financial Instruments - Disclosures*, which requires entities to provide disclosures in their financial statements that enable users to evaluate (a) the significance of financial instruments for the entity’s financial position and performance; and (b) the nature and extent of risks arising from

**MAWSON RESOURCES LIMITED**  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED NOVEMBER 30, 2008**  
*(Unaudited - Prepared by Management)*

**2. SIGNIFICANT ACCOUNTING POLICIES** (continued)

financial instruments to which the entity is exposed during the period and at the balance sheet date, and how the entity manages those risks. The principles in this section complement the principles for recognizing, measuring and presenting financial assets and financial liabilities in Section 3855, *Financial Instruments - Recognition and Measurement*, Section 3863, *Financial Instruments - Presentation*, and Section 3865, *Hedges*. Disclosure requirements pertaining to Section 3862 are contained in Note 10.

Section 3863, *Financial Instruments - Presentation*, which is to enhance financial statement users' understanding of the significance of financial instruments to an entity's financial position, performance and cash flows. This section establishes standards for presentation of financial instruments and nonfinancial derivatives. It deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset. Adoption of Section 3863 had no impact on the Company's presentation of financial instruments.

(iii) *Capital Disclosures*

Section 1535, *Capital Disclosures*, which establishes standards for disclosing information about an entity's capital and how it is managed. Disclosure requirements pertaining to Section 1535 are contained in Note 11.

**3. INVESTMENTS**

	November 30, 2008 \$	May 31, 2008 \$
Hodges Resources Ltd. (a)	48,305	-
Hansa Resources Limited (b)	<u>180,000</u>	<u>-</u>
Balance, end of period	<u><u>228,305</u></u>	<u><u>-</u></u>

- (a) The investment in Hodges Resources Ltd. ("Hodges") comprises 1,000,000 common shares received, at a fair value of \$50,317, as described in Note 4(a). The fair value of the Company's investment, which is classified as available-for-sale, was \$48,305 at November 30, 2008.
- (b) The investment in Hansa Resources Limited ("Hansa") comprises 6,000,000 common shares received, at a fair value of \$1,380,000, as partial consideration on the Company's disposition of certain of its unproven mineral interests, as described in Note 4(b). The fair value of the Company's investment, which is classified as available-for-sale, was \$180,000 at November 30, 2008.



**MAWSON RESOURCES LIMITED**  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED NOVEMBER 30, 2008**  
*(Unaudited - Prepared by Management)*

**4. UNPROVEN MINERAL INTERESTS**

	November 30, 2008			May 31, 2008		
	Acquisition Costs \$	Exploration Expenditures \$	Total \$	Acquisition Costs \$	Exploration Expenditures \$	Total \$
Uranium Properties (a)						
Sweden	120,216	3,412,299	3,532,515	164,377	3,012,876	3,177,253
Finland	1,781	81,927	83,708	1,781	67,499	69,280
Spain	261,300	1,137,683	1,398,983	261,300	901,150	1,162,450
Other Properties (b)						
Sweden	10,863	125,795	136,658	4,303	125,795	130,098
	394,160	4,757,704	5,151,864	431,761	4,107,320	4,539,081

(a) Uranium Properties

*Sweden*

The Company has staked a total of 37 uranium exploration permits, covering approximately 43,820 hectares, and three uranium exploration applications, covering approximately 3,015 hectares, in northern Sweden.

On February 21, 2007, the Company entered into an agreement with Widerange Corporation Pty Ltd. (“Widerange”), whereby the Company granted Widerange an option to earn an initial 51% interest on eight of the 37 exploration permits, under which the Company received payment of US \$50,000 and Widerange agreed to incur a total of US \$1 million over a four year period. Widerange subsequently assigned its option interest to Hodges Resources Ltd. (“Hodges”) and, on April 22, 2007, as amended on October 3, 2008, the Company and Hodges entered into an option and joint venture agreement whereby Hodges issued 1,000,000 common shares of its share capital to the Company, at a fair value of \$50,317, and may earn the initial 51% interest by incurring, or paying directly to the Company, a minimum US \$100,000 in year one (incurred), US \$100,000 in year two, US \$150,000 in year three and US \$200,000 in year four. Upon earning the 51% interest, Hodges could then increase its interest to 75% by funding a bankable feasibility study.

*Finland*

The Company has been granted six claim reservations, covering approximately 477 hectares, in various areas of Finland.

*Spain*

The Company has been granted three investigation permits covering approximately 23,828 hectares and one investigation permit application for 8,889 hectares.

(b) Other Properties

On July 25, 2008, the Company completed its agreement with Hansa whereby the Company sold all of its gold exploration permits and 11 of its base metals exploration permits to Hansa for \$250,000 cash and 6,000,000 common shares of Hansa, for a total consideration of \$1,630,000. The Company retains a 2% net smelter returns royalty on certain of the properties.

**MAWSON RESOURCES LIMITED**  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED NOVEMBER 30, 2008**  
*(Unaudited - Prepared by Management)*

**4. UNPROVEN MINERAL INTERESTS** (continued)

As at November 30, 2008, the Company holds seven exploration permits in northern Sweden, covering approximately 7,211 hectares.

**5. SHARE CAPITAL**

Authorized: unlimited common shares without par value

Issued:	<u>Six Months Ended November 30, 2008</u>		<u>Year ended May 31, 2008</u>	
	Shares	Amount \$	Shares	Amount \$
Balance, beginning of period	<u>36,500,555</u>	<u>22,644,773</u>	<u>36,158,680</u>	<u>22,428,835</u>
Issued during the period				
For cash				
- exercise of warrants	-	-	241,875	120,938
- exercise of options	-	-	100,000	60,000
Reallocation from contributed surplus on exercise of options	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
	<u>-</u>	<u>-</u>	<u>341,875</u>	<u>215,938</u>
Balance, end of period	<u><u>36,500,555</u></u>	<u><u>22,644,773</u></u>	<u><u>36,500,555</u></u>	<u><u>22,644,773</u></u>

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at November 30, 2008 and 2007 and the changes for the six months ending on those dates is as follows:

	<u>2008</u>		<u>2007</u>	
	Warrants Outstanding	Weighted Average Exercise Price \$	Warrants Outstanding	Weighted Average Exercise Price \$
Balance, beginning of period	2,299,999	2.59	5,765,067	1.89
Exercised	<u>-</u>	-	<u>(241,875)</u>	0.50
Balance, end of period	<u><u>2,299,999</u></u>	2.59	<u><u>5,523,192</u></u>	1.95

The following table summarizes information about the number of common shares reserved pursuant to the warrants outstanding and exercisable at November 30, 2008:

Exercise Price \$	Number	Expiry Date
1.50	299,999	December 27, 2008
2.75	<u>2,000,000</u>	February 6, 2009
	<u><u>2,299,999</u></u>	

**MAWSON RESOURCES LIMITED**  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED NOVEMBER 30, 2008**  
*(Unaudited - Prepared by Management)*

**6. STOCK OPTIONS AND STOCK-BASED COMPENSATION**

The Company has established a rolling stock option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts.

During the six months ended November 30, 2007, the Company granted 65,000 stock options to the Company's directors, employees and consultants and recorded compensation expense of \$12,000. The Company did not grant any stock options during the six months ended November 30, 2008.

During the six months ended November 30, 2008, the Company recorded compensation expense of \$6,463 (2007 - \$65,925) on stock options vested.

The fair value of stock options is estimated using the Black-Scholes option pricing model with the following assumptions used for the granting or vesting during the six months ended November 30, 2008 and 2007:

	<b>2008</b>	<b>2007</b>
Risk-free interest rate	3.31%	4.09% - 4.62%
Estimated volatility	91%	95% - 96%
Expected life	2.25 years	2 years - 3 years
Expected dividend yield	0%	0%

Option-pricing models require the use of estimates and assumptions including the expected volatility. Changes in the underlying assumptions can materially affect the fair value estimates and, therefore, existing models do not necessarily provide reliable measure of the fair value of the Company's stock options.

A summary of the Company's stock options at November 30, 2008 and 2007, and the changes for the six months ending on those dates, is presented below:

	<u>2008</u>		<u>2007</u>	
	<b>Options Outstanding</b>	<b>Weighted Average Exercise Price \$</b>	<b>Options Outstanding</b>	<b>Weighted Average Exercise Price \$</b>
Balance, beginning of period	3,613,250	1.38	3,548,250	1.38
Granted	-	-	65,000	1.50
Expired	<u>(200,000)</u>	0.50	<u>-</u>	-
Balance, end of period	<u>3,413,250</u>	1.46	<u>3,613,250</u>	1.40

**MAWSON RESOURCES LIMITED**  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED NOVEMBER 30, 2008**  
*(Unaudited - Prepared by Management)*

**6. STOCK OPTIONS AND STOCK-BASED COMPENSATION** (continued)

The following table summarizes information about the stock options outstanding and exercisable at November 30, 2008:

Number Outstanding	Number Exercisable	Exercise Price \$	Expiry Date
163,250	163,250	0.40	July 15, 2009
800,000	800,000	1.15	February 2, 2009
565,000	565,000	0.80	June 22, 2009
50,000	50,000	0.88	July 12, 2009
65,000	65,000	1.15	December 2, 2009
225,000	225,000	1.30	December 15, 2009
1,380,000	1,380,000	2.10	April 16, 2010
65,000	65,000	1.50	November 6, 2010
<u>100,000</u>	<u>100,000</u>	1.25	January 11, 2011
<u><u>3,413,250</u></u>	<u><u>3,413,250</u></u>		

See also Note 13.

**7. CONTRIBUTED SURPLUS**

The Company's contributed surplus at November 30, 2008 and 2007, and the changes for the six months ending on those dates is presented below:

	2008 \$	2007 \$
Balance, beginning of period	3,223,392	3,081,492
Stock-based compensation on stock options (Note 6)	<u>6,463</u>	<u>77,925</u>
Balance, end of period	<u><u>3,229,855</u></u>	<u><u>3,159,417</u></u>

**8. RELATED PARTY TRANSACTIONS**

During the six months ended November 30, 2008, the Company:

- i) incurred a total of \$73,480 (2007 - \$43,000) for accounting, administration, professional fees and rent provided by certain directors of the Company;
- ii) incurred \$132,000 (2007 - \$126,000) for management fees provided by a private corporation owned by directors of the Company, of which \$68,116 (2007 - \$61,383) was capitalized to unproven mineral interests and \$63,884 (2007 - \$64,617) charged to management fees;
- iii) incurred \$6,000 (2007 - \$6,000) for shared administration and other costs with Tumi Resources Limited ("Tumi"), a public company with common directors and officer; and
- iv) was reimbursed \$22,464 (2007 - \$nil) for shared office personnel from Tumi.

**MAWSON RESOURCES LIMITED**  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
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*(Unaudited - Prepared by Management)*

**8. RELATED PARTY TRANSACTIONS** (continued)

As at November 30, 2008, \$20,300 (2007 - \$40,500) was outstanding to the related parties and was included in accounts payable and accrued liabilities.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**9. SEGMENTED INFORMATION**

The Company is involved in mineral exploration and development activities in Europe. The Company is in the exploration stage and accordingly, has no reportable segment revenues or operating results.

The Company's total assets are segmented geographically as follows:

	<b>November 30, 2008</b>				<b>Total</b>
	<b>Corporate</b>	<b>Mineral Operations</b>			
	<b>Canada</b> \$	<b>Sweden</b> \$	<b>Spain</b> \$	<b>Finland</b> \$	
Current assets	11,297,773	295,121	-	-	11,592,894
Capital assets	18,551	209,835	-	-	228,386
Investments	228,305	-	-	-	228,305
Unproven mineral interests	-	3,669,173	1,398,983	83,708	5,151,864
	<u>11,544,629</u>	<u>4,174,129</u>	<u>1,398,983</u>	<u>83,708</u>	<u>17,201,449</u>
	<b>May 31, 2008</b>				
	<b>Corporate</b>	<b>Mineral Operations</b>			<b>Total</b>
	<b>Canada</b> \$	<b>Sweden</b> \$	<b>Spain</b> \$	<b>Finland</b> \$	<b>\$</b>
Current assets	12,199,125	2,164,666	-	-	14,363,791
Capital assets	13,688	239,442	-	-	253,130
Unproven mineral interests	-	3,307,351	1,162,450	69,280	4,539,081
	<u>12,212,813</u>	<u>5,711,459</u>	<u>1,162,450</u>	<u>69,280</u>	<u>19,156,002</u>

**10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

*Fair Value of Financial Instruments*

The carrying value of cash, amounts receivables and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of these instruments.

The carrying value of investment approximates the fair value based on quoted prices.

**MAWSON RESOURCES LIMITED**  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
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*(Unaudited - Prepared by Management)*

**10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

*Liquidity Risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with the financial liabilities. The Company's financial liabilities consist of accounts payable and the accrued liabilities.

*Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short term interest rates through the interest earned on cash balances. The Company has significant cash balances. From time to time, the Company invests its excess cash in short term deposits issued by its primary bank. The term of such instruments does not exceed 90 days and as such the interest rate risk is immaterial.

*Foreign Currency Exchange Rate Risk*

Foreign currency rate risk is the risk that the fair value of financial instruments or future cash flows will fluctuate as a result of changes in foreign exchange rates.

The Company's functional currency is the Canadian dollar and major transactions are transacted in Canadian dollars and Swedish Kronors ("SEK"). The Company maintains SEK bank accounts in Sweden to support the cash needs of its foreign operations. Management believes the foreign exchange risk related to currency conversions are minimal and therefore does not hedge its foreign exchange risk. As at November 30, 2008, approximately \$223,856 of the cash was held in SEK.

**11. CAPITAL MANAGEMENT**

The Company's objective when managing capital, defined as equity, is to safeguard the entity's ability to continue as a going concern, so that it can continue to acquire and explore mineral interests. The Company funds all administration and exploration programs from the issue of shares, generally through private placements. The Company prepares a budget for seasonal exploration programs and initiates equity offerings to ensure sufficient funds for each season's programs. If the Company is unsuccessful in raising sufficient capital, exploration programs are extended, delayed or cancelled. In order to conserve cash, the Company may issue shares to pay for properties or compensate directors, employees and contractors through stock options.

Any cash raised that is surplus to immediate requirements is invested in low-risk liquid instruments which may include Bankers' Acceptances or Guaranteed Investment Certificates.

The Company's stock option plan complies with the rules of the TSX Exchange ("TSX") and the Company has complied with the TSX rules in terms of the number of shares, pricing and timing for share issuances.

Please refer to Notes 5 and 7 for a description of changes in capital.

**MAWSON RESOURCES LIMITED**  
**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED NOVEMBER 30, 2008**  
*(Unaudited - Prepared by Management)*

**12. SUPPLEMENTAL CASH FLOW INFORMATION**

During the six months ended November 30, 2008 and 2007 non-cash activities were conducted by the Company as follows:

	<b>2008</b>	<b>2007</b>
	\$	\$
Operating activity		
Increase in accounts payable and accrued liabilities	<u>115,514</u>	<u>153,304</u>
Investing activities		
Expenditures on unproven mineral interests	(115,514)	(153,304)
Disposition of unproven mineral interests	1,430,317	-
Investments	<u>(1,430,317)</u>	<u>-</u>
	<u>(115,514)</u>	<u>(153,304)</u>

**13. SUBSEQUENT EVENT**

Subsequent to November 30, 2008 the Company granted stock options to a consultant to purchase 50,000 common shares at an exercise price of \$0.22, expiring December 11, 2011.

**MAWSON RESOURCES LIMITED**  
**INTERIM CONSOLIDATED SCHEDULE OF UNPROVEN MINERAL INTERESTS**

*(Unaudited - Prepared by Management)*

	<u>Six Months Ended November 30, 2008</u>				<u>Year Ended</u>	
			<u>Spain</u>	<u>Finland</u>	<u>May 31,</u>	
	<u>Uranium</u>	<u>Other</u>	<u>Uranium</u>	<u>Uranium</u>	<u>Total</u>	
	<u>Projects</u>	<u>Projects</u>	<u>Projects</u>	<u>Projects</u>	<u>Total</u>	
	\$	\$	\$	\$	\$	
<b>BALANCE - BEGINNING OF PERIOD</b>	<u>3,177,253</u>	<u>130,098</u>	<u>1,162,450</u>	<u>69,280</u>	<u>4,539,081</u>	<u>3,910,171</u>
<b>EXPENDITURES</b>						
Camp costs	-	-	-	-	-	41,109
Consulting	17,411	-	196,812	137	214,360	683,598
Database	245	-	-	361	606	16,281
Drilling	-	-	-	-	-	1,104,986
Equipment rental	12,527	-	-	-	12,527	33,977
Exploration site	31,375	-	23,006	597	54,978	140,095
Fuel	11,428	-	4,585	2,998	19,011	33,094
Geochemical	14,073	-	-	-	14,073	119,875
Geological	171,501	-	9,391	6,371	187,263	373,691
Maps	3,738	-	2,739	415	6,892	14,266
Repairs and maintenance	17,418	-	-	-	17,418	-
Salaries	94,106	-	-	-	94,106	194,768
Site preparation	-	-	-	-	-	53,421
Supplies	-	-	-	-	-	4,815
Travel	24,708	-	-	3,549	28,257	135,873
Vehicle rental	893	-	-	-	893	23,800
	<u>399,423</u>	<u>-</u>	<u>236,533</u>	<u>14,428</u>	<u>650,384</u>	<u>2,973,649</u>
<b>ACQUISITION COSTS</b>						
Acquisition	-	-	-	-	-	250,000
Permits	6,156	6,560	-	-	12,716	153,056
Option shares received	(50,317)	-	-	-	(50,317)	-
	<u>(44,161)</u>	<u>6,560</u>	<u>-</u>	<u>-</u>	<u>(37,601)</u>	<u>403,056</u>
<b>INCURRED DURING THE PERIOD</b>	<u>355,262</u>	<u>6,560</u>	<u>236,533</u>	<u>14,428</u>	<u>612,783</u>	<u>3,376,705</u>
<b>BALANCE BEFORE THE FOLLOWING</b>	3,532,515	136,658	1,398,983	83,708	5,151,864	7,286,876
<b>WRITEDOWN</b>	-	-	-	-	-	(1,117,795)
<b>RECLASSIFICATION</b>	-	-	-	-	-	(1,630,000)
<b>BALANCE - END OF PERIOD</b>	<u><u>3,532,515</u></u>	<u><u>136,658</u></u>	<u><u>1,398,983</u></u>	<u><u>83,708</u></u>	<u><u>5,151,864</u></u>	<u><u>4,539,081</u></u>