CORTEZ RESOURCES CORP.

INTERIM FINANCIAL STATEMENTS

November 30, 2007

(Stated in Canadian Dollars)
(Unaudited)

THE ACCOMPANYING FINANCIAL STATEMENTS FOR THE PERIOD ENDED NOVEMBER 30, 2007 HAVE NOT BEEN REVIEWED OR AUDITED BY THE CORPORATION'S AUDITORS

CORTEZ RESOURCES CORP.
INTERIM BALANCE SHEET
November 30, 2007
(Stated in Canadian Dollars)
(Unaudited)

ASSETS

Current		
Cash	**$**	**482,155**
GST Receivable		**1,794**
	$	**483,949**

LIABILITIES

Current		
Accounts payable and accrued liabilities	**$**	**943**

SHAREHOLDERS' EQUITY

Share capital – Notes 3 and 5		**517,166**
Contributed surplus		**65,989**
Deficit		**(100,149)**
		483,006
	$	**483,949**

Commitments – Note 3
Subsequent Events – Note 5

APPROVED ON BEHALF OF THE BOARD:

"Gary Hawthorn" Director *"Gary Arca"* Director

SEE ACCOMPANYING NOTES

CORTEZ RESOURCES CORP.
INTERIM STATEMENT OF OPERATIONS AND DEFICIT
for the three months ended November 30, 2007
and the period ended March 29, 2007 (Date of Incorporation) to November 30, 2007
(Stated in Canadian Dollars)
(Unaudited)

		Three months ended November 30, 2007		March 29, 2007 (date of incorporation) to November 30, 2007
Expenses				
Accounting and audit fees	$	**-**	$	**4,978**
Bank charges and interest		**62**		**375**
Legal and corporate services		**9,471**		**12,162**
Office and administration– Note 4		**4,432**		**11,280**
Rent-Note 4		**4,500**		**13,590**
Stock-based compensation		**-**		**52,657**
Transfer agent and filing fees		**4,254**		**10,466**
Loss before other item		**(22,719)**		**(105,508)**
Other item				
Interest income		**3,364**		**5,359**
Net loss for the period		**(19,355)**		**(100,149)**
Deficit, beginning of period		**(80,794)**		**-**
Deficit, end of period	$	**(100,149)**	$	**(100,149)**
Basic and diluted loss per share	$	**(0.01)**	$	**(0.04)**
Weighted average number of shares outstanding		**4,000,001**		**2,607,289**

SEE ACCOMPANYING NOTES

CORTEZ RESOURCES CORP.
INTERIM STATEMENT OF CASH FLOWS
For the three months ended November 30,2007
and for the period March 29, 2007 (Date of Incorporation) to November 30, 2007
(Stated in Canadian Dollars)
(Unaudited)

	Three Months ended November 30, 2007	March 29,2007 (date of incorporation to November 30, 2007
Operating Activities		
Net loss for the period	$ (19,355)	$ (100,149)
Non-cash item:		
Share-based compensation	-	52,657
	(19,355)	(47,492)
Change in non-cash working capital item:		
Accounts payable and accrued liabilities	(15,048)	943
GST Receivable	840	(1,794)
Prepaid expenses	5,754	-
Cash used in operating activities	(27,809)	(48,343)
Financing Activities		
Issuance of common shares	10,000	610,000
Share issue costs	-	(79,502)
Cash provided by financing activities	10,000	530,498
Increase in cash during the period	(17,809)	482,155
Cash, beginning of period	(499,964)	-
Cash, end of period	482,155	$ 482,155
Supplementary disclosure of cash flow information		
Cash paid for:		
Interest	$ -	$ -
Income taxes	$ -	$ -

SEE ACCOMPANYING NOTES

Note 1 Nature of Operations

The Company was incorporated in the Province of British Columbia on March 29, 2007 under the Business Corporations Act of British Columbia as 0786996 BC Ltd. and changed its name to Cortez Resources Corp. on April 13, 2007. The Company is classified as a Capital Pool Company ("CPC") as defined in the TSX Venture Exchange (the "Exchange") Policy 2.4.

The Company's continued operations are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in, or an investment of an interest in a Qualifying Transaction (as defined). The Company is required to complete its Qualifying Transaction within 24 months of August 20, 2007, the "Listing Date". The acquisition will be subject to shareholder and regulatory approval.

The Company has determined that the last day of February will be the fiscal year end and February 29, 2008 will be the first complete fiscal year. As the Company was incorporated on March 29, 2007 there is no comparative balance sheet as at February 28, 2007 or comparative statement of operations or cash flows for the period ended November 30, 2006.

Note 2 Significant Accounting Policies

Management has prepared the financial statements of the Company in accordance with Canadian generally accepted accounting principles. The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. These financial statements have been prepared within the framework of the significant accounting policies summarized below.

a) Basic and Diluted Loss per Share

Basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. Diluted loss per share reflects the potential dilution that could occur if potentially dilutive securities were exercised or converted to common stock. The dilutive effect of options and warrants and their equivalent is computed by application of the treasury stock method and the effect of convertible securities by the "if converted" method. Fully diluted amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred. Accordingly, there is no difference in the amounts presented for basic and diluted loss per share.

Note 2 Significant Accounting Policies – (cont'd)

b) Financial Instruments

The carrying value of the Company's financial instruments, consisting of cash and accounts payable and accrued liabilities approximate their fair value due to the short-term maturity of such instruments. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

c) Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, current income taxes are recognized for the estimated income taxes payable for the current period. Future income tax assets and liabilities are determined based on differences between the tax and accounting basis of assets and liabilities. The future tax assets or liabilities are calculated using the tax rates for the period in which the differences are expected to be settled. Future tax assets are recognized to the extent that they are considered more likely than not to be realized.

d) Share-based compensation

The Company has adopted the recommendations of CICA Handbook section 3870, "Stock-Based Compensation and Other Stock-Based Payments." This section establishes standards for the recognition, measurement and disclosure of stock-based compensation and other stock-based payments made in exchange for goods and services. Stock-based compensation is accounted for at fair value as determined by the Black-Scholes option pricing model using amounts that are believed to approximate the volatility of the trading price of the Company's shares, the expected lives of awards of stock-based compensation, the fair value of the Company's stock and the risk-free interest rate, as determined at the grant date. The estimated fair value of awards of stock-based compensation are charged to expense over their vesting period, with offsetting amounts recognized as contributed surplus. Upon exercise of share purchase options, the consideration paid by the option holder, together with the amount previously recognized in contributed surplus, is recorded as an increase to share capital.

The Company uses the Black-Scholes option valuation model to calculate the fair value of share purchase options at the date of grant. Option pricing models require the input of highly subjective assumptions, including the expected price volatility. Changes in these 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 share purchase options.

e) Share issue costs

Share issue costs, which include commissions, professional and regulatory fees are charged directly to share capital.

(Stated in Canadian Dollars)

Note 3 Share Capital

a) Authorized

Unlimited common shares without par value

b) Shares issued

		Number	Amount
Issued for cash pursuant to:			
Incorporation	- at $0.01		$ -
		1	
Private placement	- at $0.10	2,000,000	200,000
Agent warrant exercise	- at $0.20	50,000	10,000
Private Placement	- at $0.20	2,000,000	400,000
Fair value of agent warrants		-	4,444
Share issue costs		-	(97,278)
Balance, November 30, 2007		**4,050,001**	**$ 517,166**

(i) The Company has issued 2,000,001 common shares for net proceeds of $200,000. These shares are subject to an escrow agreement to be released in accordance with the CPC policy guidelines.

(ii) During the period ended November 30, 2007, the Company completed its initial public offering (“IPO”) and issued 2,000,000 common shares at a price of $0.20 per share for proceeds of $400,000. The Company paid a commission of $40,000 to the agent and granted the agent an option to acquire up to 200,000 shares at $0.20 per share until August 20, 2009. The Company has paid an administration fee of $10,000 and reimbursed the agent for legal expenses, in the amount of $4,746.

(iii) During the period ended November 30, 2007, The Company issued 50,000 common shares at $0.20 for proceeds of $10,000 pursuant to the exercise of agent’s warrants.

The net proceeds from all of the Company’s financings have certain limitations on them until completion of the Qualifying Transaction.

c) Options Outstanding

In conjunction with the IPO, the Company granted 400,000 share purchase options (390,000 to directors and 10,000 to a registered charity). Each director’s option allows the holder to acquire an additional common share of the Company at $0.20 per share for a period of five years until August 20, 2012. The registered charity options are exercisable at $0.20 per share and expire on the earlier of August 20, 2017, or the 90th day following the date the charity ceases to be an eligible charitable organization.

(Stated in Canadian Dollars)

Note 3 Share Capital – (cont'd)

c) Options Outstanding - (cont'd)

A summary of the Company's outstanding stock options as of November 30, 2007 and the changes during the period then ended is presented below:

	Number of options	Weighted average exercise price
Options granted during the period and outstanding and exercisable at November 30, 2007	400,000	$0.20

At November 30, 2007, there were 400,000 stock options outstanding entitling the holders thereof the right to purchase one common share for each option held as follows:

Number of Shares	Number exercisable	Exercise Price	Expiry Date
400,000	400,000	$0.20	August 20, 2012

d) Stock-based Compensation

The Company, in accordance with the policies of the Exchange, is authorized to grant options to directors, officers, and employees to acquire up to 10% of common stock outstanding. Options may be granted for a maximum term of 5 years. Optioned shares will vest when granted except where granted for investor relations activities which vest and may be exercised in accordance with the vesting provisions as to ¼ of the options each 3 months.

The fair value of the 400,000 options granted was estimated to be $52,657 using the Black-Scholes option-pricing model with the following weighted average assumptions at date of grant:

Dividend rate	0.00	$	Expected annual volatility	78	%
Risk-free interest rate	4.3	%	Strike price	$0.20	
Expected life	5	years			

(Stated in Canadian Dollars)

Note 3 Share Capital – (cont'd)

d) Stock-based Compensation – (cont'd)

The fair value of the stock options granted and vested during the period ended November 30, 2007 has been recorded in the statement of operations and credited to contributed surplus.

e) Warrants Outstanding

The fair value of the 200,000 warrants issued to the agent pursuant to the IPO was estimated to be $17,776 using the Black-Scholes fair value pricing model with the following assumptions at the date of the agreement:

Dividend rate	0.00	%	Expected annual volatility	78	%
Risk-free interest rate	4.23	%	Strike price	$0.20	
Expected life	2	years	Spot price	$0.20	

The fair value of the 200,000 warrants has been recorded as share capital and credited to contributed surplus on the balance sheet.

A summary of the Company's outstanding share purchase warrants at November 30, 2007 and the changes during the period then ended is presented below:

	Number of warrants	Weighted average Exercise price
Warrants issued during the period	200,000	$0.20
Warrants exercised during this period	(50,000)	$0.20
Warrants Outstanding and exercisable at November 30, 2007	150,000	$0.20

Note 4 Related Party Transactions

During the period ended November 30, 2007, the Company paid rent of $9,090 and office and administration fees of $9,090 to a company controlled by a director.

These charges were measured at the exchange amount which is the amount agreed upon by the transacting parties.