

ANGLO MINERALS LTD
Consolidated Financial Statements
Period Ended December 31, 2007

ANGLO MINERALS LTD
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Period Ended December 31, 2007
(Unaudited)

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Notice of No-Auditor Review of Interim Financial Statements

Under National Instrument 51-102, "Continuous Disclosure Obligations", Part 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The Company's external auditors, Collins Barrow Calgary LLP, have not performed a review of these financial statements.

ANGLO MINERALS LTD
Consolidated Balance Sheet
December 31, 2007
(Unaudited)

	December 31 2007	June 30 2007
ASSETS		
CURRENT		
Cash	\$ 7,112,095	\$ 3,579,584
Term deposits	-	5,136,222
Accounts receivable	122,267	99,791
Income taxes recoverable	19,862	-
Prepaid expenses	491	5,765
	7,254,715	8,821,362
EQUIPMENT <i>(Note 3)</i>	7,078	7,639
MINERAL PROPERTIES AND DEFERRED COSTS <i>(Schedule)</i>	877,060	871,576
	\$ 8,138,853	\$ 9,700,577
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT		
Accounts payable	\$ 134,812	\$ 103,613
Income taxes payable	-	1,080,108
Due to an officer and director	6,377	6,274
	141,189	1,189,995
FUTURE INCOME TAXES	120,000	200,828
	261,189	1,390,823
SHAREHOLDERS' EQUITY		
Share capital <i>(Note 4)</i>	6,849,798	6,555,770
Contributed surplus	3,878,558	3,997,586
Deficit	(2,850,692)	(2,243,602)
	7,877,664	8,309,754
	\$ 8,138,853	\$ 9,700,577

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

ANGLO MINERALS LTD
Consolidated Statement of Loss, Comprehensive Loss and Deficit
For the Period Ended December 31, 2007
(Unaudited)

	Three months ended December 31 2007	Three months ended December 31 2006	Six months ended December 31 2007	Six months ended December 31 2006
Revenue				
Interest income	\$ 85,962	\$ 35,444	\$ 182,297	\$ 93,939
Foreign exchange gains (losses)	(80,660)	243,080	(369,614)	239,740
	5,302	278,524	(187,317)	333,679
Operating expenses				
Advertising and promotion	61,627	16,845	143,815	21,206
Amortization	799	-	1,658	-
Bank charges	64	139	210	1,226
Consulting fees	30,500	50,726	30,500	75,430
Interest	36,676	-	36,676	-
Office	48,989	9,688	107,468	29,134
Professional fees	68,828	92,163	109,003	108,362
Salaries and wages	36,600	10,350	67,200	16,250
Transfer agent costs	1,893	2,193	4,071	4,965
Total operating expenses	285,976	182,104	500,601	256,573
Income (loss) before income taxes	(280,674)	96,420	(687,918)	77,106
Future income taxes (recovery)	(37,828)	39,000	(80,828)	32,434
Net income (loss) and comprehensive income (loss)	(242,846)	57,420	(607,090)	44,672
Retained earnings (deficit) - beginning of period	(2,607,846)	1,738,296	(2,243,602)	1,751,044
Retained earnings (deficit) - end of period	\$ (2,850,692)	\$ 1,795,716	\$ (2,850,692)	\$ 1,795,716
Earnings per share				
Basic and diluted	\$ (0.01)	\$ 0.00	\$ (0.02)	\$ 0.00
Weighted average number of shares outstanding	31,675,708	28,860,925	31,574,077	28,860,925

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

ANGLO MINERALS LTD
Consolidated Statement of Cash Flows
For the Period Ended December 31, 2007
(Unaudited)

	Three months ended December 31, 2007	Three months ended December 31, 2006	Six months ended December 31, 2007	Six months ended December 31, 2006
OPERATING ACTIVITIES				
Net income (loss)	\$ (242,846)	\$ 57,420	\$ (607,090)	\$ 44,672
Items not affecting cash:				
Amortization	799	-	1,658	-
Future income taxes (recovery)	(37,828)	39,000	(80,828)	32,434
	(279,875)	96,420	(686,260)	77,106
Changes in non-cash working capital:				
Accounts receivable	(15,981)	(378)	(22,476)	482,405
Accounts payable	34,381	(44,248)	31,199	(344,295)
Income taxes recoverable	36,676	(185,519)	(19,862)	(185,519)
Income taxes payable	-	(201,043)	(1,080,108)	(274,767)
Prepaid expenses	2,048	-	5,274	-
	57,124	(431,188)	(1,085,973)	(322,176)
Cash flow used by operating activities	(222,751)	(334,768)	(1,772,233)	(245,070)
INVESTING ACTIVITIES				
Purchase of equipment	(1,397)	-	(1,397)	-
Proceeds on disposal of equipment	300	-	300	-
Additions to mineral properties and deferred costs, net of recoveries	(5,684)	(48,728)	(5,484)	(100,772)
Refund of term deposit	4,909,080	-	5,136,222	-
Deposits	-	-	-	28,000
Cash flow from (used by) investing activities	4,902,299	(48,728)	5,129,641	(72,772)
FINANCING ACTIVITIES				
Advances from a director	-	2,358	103	2,358
Proceeds on issuance of shares	35,000	-	175,000	-
Cash flow from financing activities	35,000	2,358	175,103	2,358
INCREASE (DECREASE) IN CASH FLOW	4,714,548	(381,138)	3,532,511	(315,484)
Cash - beginning of period	2,397,547	8,127,099	3,579,584	8,061,445
CASH - END OF PERIOD	\$ 7,112,095	\$ 7,745,961	\$ 7,112,095	\$ 7,745,961

CASH FLOWS SUPPLEMENTARY INFORMATION

(continues)

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

ANGLO MINERALS LTD
Consolidated Statement of Cash Flows *(continued)*
For the Period Ended December 31, 2007

	Three months ended December 31, 2007	Three months ended December 31, 2006	Six months ended December 31, 2007	Six months ended December 31, 2006
Interest paid	\$ -	\$ -	\$ -	\$ -
Income taxes paid (recovered)	\$ (36,676)	\$ 386,561	\$ 1,099,970	\$ 460,286

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

ANGLO MINERALS LTD
Consolidated Schedule of Mineral Properties and Deferred Costs
(Schedule 1)
December 31, 2007
(Unaudited)

	Three months ended December 31		Six months ended December 31	
	2007	2006	2007	2006
Potash Project				
Mineral Properties				
Balance, beginning of period	\$ 104,670	\$ 107,928	\$ 104,870	\$ 125,107
Applications approved-transferred from deposits on permit application	-	33,440	-	33,440
Refund of permit fee	-	-	(200)	(17,179)
Balance, end of period	104,670	141,368	104,670	141,368
Deferred Costs				
Balance, beginning of period	735,890	699,374	735,890	630,151
Additions	5,684	15,288	5,684	84,511
Balance, end of period	741,574	714,662	741,574	714,662
Deposits on Permit Applications				
Balance, beginning and end of period	30,816	30,816	30,816	30,816
Total costs	877,060	886,846	877,060	886,846
Total Project Costs				
Mineral properties and exploration expenses	104,670	141,368	104,670	141,368
Deferred costs	741,574	714,662	741,574	714,662
Deposits on permit applications	30,816	30,816	30,816	30,816
Total costs	\$ 877,060	\$ 886,846	\$ 877,060	\$ 886,846

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

ANGLO MINERALS LTD

Notes to Consolidated Financial Statements

Period Ended December 31, 2007

(Unaudited)

1. Nature of operations and basis of preparation

Anglo Minerals Ltd., (the "Company") is engaged in the business of mineral exploration and development. The Company is devoted to the exploration of natural resources and the acquisition of mineral rights. The Company has yet to determine whether these properties contain economically recoverable reserves. The recoverability of the amount shown for mineral properties and deferred costs is dependent on the existence of economically recoverable reserves and future profitable production from mineral properties. To date no development projects have been completed and no production commenced.

ANGLO MINERALS LTD
Notes to Consolidated Financial Statements
Period Ended December 31, 2007
(Unaudited)

2. Significant accounting policies

The accounting policies of the interim consolidated financial statements are the same as those described in the Company's June 30, 2007 audited financial statements. The disclosures in the interim consolidated financial statements do not conform in all respects to the requirements of the Canadian generally accepted accounting principles for annual financial statements. These interim financial statements should be read in conjunction with June 30, 2007 consolidated financial statements

Changes in accounting policy

Effective July 1, 2007, the Company adopted the following changes in the accounting policies and there was no impact on the financial statements as a result of their adoption:

- Section 1530, 'Comprehensive Income'
- Section 3855, 'Financial Instruments - Recognition and Measurement', and
- Section 3865, 'Hedges'

These new accounting standards provide requirements for the recognition and measurement of financial instruments and the optional use of hedge accounting. The standards will be adopted prospectively and no effect on the financial results is anticipated as a result of adopting these standards.

Comprehensive income

Section 1530 establishes standards for the reporting and presenting of comprehensive income and other comprehensive income. Comprehensive income is defined as the change in equity from transactions and other events from non-owner sources and other comprehensive income comprises revenues, expenses, gains and losses that, in accordance with Canadian generally accepted accounting principles ("GAAP"), are recognized in comprehensive income but excluded from net income (loss).

Financial Instruments - recognition and measurement

Section 3855 prescribes when a financial asset, financial liability or non-financial derivative is to be recognized on the balance sheet and at what amount, requiring fair value or cost-based measures under different circumstances. All financial instruments must be classified as one of the following five categories: held-for-trading; held-to-maturity instruments; loans and receivables; available-for-sale financial assets; or other financial liabilities. All financial instruments, with the exception of loans and receivables, held-to-maturity investments and other financial liabilities measured at amortized cost are reported on the balance sheet at fair value. Subsequent measurement and changes in fair value will depend on their initial classification. Available-for-sale financial assets are measured at fair value with changes in fair value recorded in other comprehensive income until the investment is derecognized or impaired at which time the amounts would be recorded in the statement of income (loss).

Derivatives

All derivative instruments, including embedded derivatives, are recorded on the balance sheet at fair value unless they qualify for the normal sale and purchase exception. All changes in fair value are included in earnings unless cash flow hedge or net investment accounting is used, in which case, changes in fair value are recorded in other comprehensive income to the extent the hedge is effective, and in earnings to the extent it is ineffective.

(continues)

ANGLO MINERALS LTD
Notes to Consolidated Financial Statements
Period Ended December 31, 2007
(Unaudited)

2. Significant accounting policies *(continued)*

Hedge accounting

Section 3865 establishes standards for when and how hedge accounting may be applied. Hedge accounting continues to be optional. At the inception of a hedge, the Company must formally document the designation of the hedge, the risk management objective, the hedging relationships between the hedged items and the hedging items and the methods for testing the effectiveness of the hedge. Assessments are made both at inception of the hedge and on an ongoing basis to determine if the derivatives that are designed as hedges are highly effective in offsetting changes in fair values or cash flows of hedged items.

For cash flow hedges that have been terminated or cease to be effective, prospective gains or losses on the derivative are recognized in the statement of income (loss). Any gain or loss that has been included in accumulated other comprehensive income at the time of the hedge is discontinued and continues to be deferred in accumulated other comprehensive income until the original hedged transaction is recognized in the statement of income (loss). If the likelihood of the original hedged transaction occurring is no longer probable, the entire gain or loss in accumulated other comprehensive income related to this transaction is immediately reclassified to the statement of income (loss).

Future accounting pronouncements

The Canadian Institute of Chartered Accountants ("CICA") issued the following new accounting standards that apply to the Company for fiscal periods beginning on or after October 1, 2007, CICA Handbook Section 3862, Financial Instruments - Disclosure; CICA Handbook Section 3863, Financial Instruments - Presentation and CICA Handbook Section 1535, Capital Disclosures. The Company is currently assessing the effect of the new standards that will have on the Company's financial statements.

Financial instruments - disclosure and presentation

Handbook Section 3862, "Financial Instruments - Disclosure" and Section 3863, "Financial Instruments - Presentation" replace Section 3861 "Financial Instruments - Disclosure and Presentation". The new disclosure standard increases the emphasis on the risks associated with both recognized and unrecognized financial instruments and how those risks are managed. It is also intended to remove any duplicate disclosures and simplify the disclosures about concentrations of risk, credit risk, liquidity risk and price risk previously found in Section 3861. The new presentation standard carries forward the former presentation requirements.

Capital Disclosures

This section requires additional disclosures of objectives, policies and processes for managing capital. In addition, disclosures will include whether companies have complied with externally imposed capital requirements.

IFRS convergence

In January 2006, the CICA Accounting Standards Board adopted a strategic plan for the direction of accounting standards in Canada. As part of the plan, accounting standards in Canada for public companies will converge with International Financial Reporting Standards ("IFRS") for fiscal period beginning on or after January 1, 2011. The Company continues to monitor and assess the impact of the convergence of Canadian GAAP and IFRS.

ANGLO MINERALS LTD
Notes to Consolidated Financial Statements
Period Ended December 31, 2007
(Unaudited)

3. Equipment

	Cost	Accumulated amortization	December 31 2007 Net book value	June 30 2007 Net book value
Computer equipment	\$ 10,445	\$ 4,694	\$ 5,751	\$ 7,639
Furniture and fixtures	1,397	70	1,327	-
	\$ 11,842	\$ 4,764	\$ 7,078	\$ 7,639

4. Share capital

a. Authorized

Unlimited number of common shares

Unlimited number of non-voting common shares

Preferred shares issuable in series with such rights and restrictions as the directors determine prior to issuance

b. Issued - common shares

	December 31, 2007		June 30, 2007	
	Number	Amount	Number	Amount
Share Capital				
Beginning of period	31,465,925	\$6,766,947	28,860,925	\$4,289,247
Exercise of stock options	-	-	2,500,000	1,400,000
Reallocation of contributed surplus on exercise of stock options	-	-	-	1,000,000
Exercise of agent's options	250,000	175,000	105,000	52,500
Reallocation of contributed surplus on exercise of agent's options	-	119,028	-	25,200
End of period	31,715,925	7,060,975	31,465,925	6,766,947
Share issuance costs				
Beginning of period	-	211,177	-	210,442
Additions	-	-	-	735
End of period	-	211,177	-	211,177
Share Capital - end of period	31,715,925	\$6,849,798	31,465,925	\$6,555,770

ANGLO MINERALS LTD
Notes to Consolidated Financial Statements
Period Ended December 31, 2007
(Unaudited)

5. Stock-based compensation

The Company has a stock option plan under which directors, officers, management, consultants and employees of the Company are eligible to receive stock options. Options granted under the plan generally have a term of five years but may not exceed five years and vest immediately upon granting. The exercise price of each option shall be determined by the directors at the time of grant but shall not be less than the price permitted by the stock exchange(s) on which the Company's share are then listed.

The Company records stock-based compensation expense upon vesting of options issued. When stock options are exercised, the amount originally credited to contributed surplus for these options is reallocated to share capital. Summary of the status of the Company's stock option plan as at December 31, 2007 and June 30, 2007 is as follows:

	Number	Weighted Average Exercise Price December 31 2007	Number	Weighted Average Exercise Price June 30 2007
Outstanding at beginning of period	3,100,000	\$ 1.25	2,500,000	\$ 0.56
Options issued	-	-	3,100,000	1.25
Options exercised	-	-	(2,500,000)	0.56
Outstanding at end of period	3,100,000	\$ 1.25	3,100,000	\$ 1.25

The options outstanding at December 31, 2007 have a remaining contractual life of 3.95 years.

6. Related party transactions

- a) During the period, the Company paid legal fees of \$7,500 (2006 - \$78,450) and rental fees of \$21,000 (2006 - \$Nil) included in professional fees to a law firm in which a director of the Company is a partner. The total amount owing to this law firm is \$17,530 (2006 - \$2,977) and is included in accounts payable and is subject to normal credit terms.
- b) During the period, the Company paid management fees of \$48,000 (2006 - \$32,000) included in consulting fees to a corporation wholly owned by the president of the Company. The total amount owing to the president's corporation of \$8,480 (2006 - \$8,480) is included in accounts payable and is subject to normal credit terms.
- c) During the period, a director provided the Company with accounting services for which the Company paid \$8,166 (2006 - \$10,726). The total amount owing to the director of \$2,134 (2006 - \$2,730) is included in accounts payable and is subject to normal credit terms.

Management is of the opinion that 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.

ANGLO MINERALS LTD
Notes to Consolidated Financial Statements
Period Ended December 31, 2007
(Unaudited)

7. Financial instruments

Fair Value

The Company's carrying value of cash, accounts payable and accrued liabilities, and due to an officer and director approximates its fair value due to the immediate or short term maturity of these instruments.

Accounts receivable primarily consists of GST recoverable which is not a financial instrument.

Foreign Exchange

The Company is exposed to foreign exchange risk on cash denominated in U.S. dollars. Consequently, the Company is subject to the risk of fluctuating exchange rates. The Company does not use derivative instruments to reduce its exposure to foreign exchange risk.
