



Adex Mining Inc.
Consolidated Interim Financial Statements
March 31, 2008
(Unaudited)

**ADEX MINING INC.
(the "Company")**

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 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 accompanying unaudited interim financial statements of the Company have been prepared by, and are the responsibility of, the Company's management. The Company's independent auditor has not performed a review of these financial statements.

DATED this 23rd day of May, 2008.

ADEX MINING INC.

Per: (signed) "Kabir Ahmed"
Name: Kabir Ahmed
Title: Chief Executive Officer

Per: (signed) "Errol Farr"
Name: Errol Farr
Title: Chief Financial Officer

ADEX Mining Inc.

Consolidated Balance Sheets

As at	March 31 2008 \$	December 31 2007 \$
	(Unaudited)	
Assets		
Current		
Cash	5,662,682	5,827,894
Committed cash	2,382,921	2,757,536
Accounts receivable	194,961	119,048
Interest receivable	41,367	27,660
Prepaid expenses	211,977	169,336
	8,493,908	8,901,474
Mineral properties (note 3)	1,273,206	815,551
Reclamation bond	685,729	687,668
Capital assets net of depreciation of \$5,339 (2006 - \$3,107)	14,929	17,161
	10,467,772	10,421,854
Liabilities		
Current		
Accounts payable & accruals	397,400	255,805
Shareholders' equity (note 4)		
Share capital	37,429,915	37,070,091
Contributed surplus	813,460	678,355
Warrants	672,041	762,210
Deficit	(28,845,044)	(28,344,607)
	10,070,372	10,166,049
	10,467,772	10,421,854

The accompanying notes are an integral part of these financial statements

Approved on behalf of the board:

(signed) "Alan Marshall"
Director

(signed) "Errol Farr"
Director

ADEX Mining Inc.

Consolidated Statements of Loss, Comprehensive Loss and Deficit

For the three months ended March 31 (Unaudited)	2008 \$	2007 \$
Expenses		
Administrative and general	257,700	145,561
Mineral property expenses	157,382	23,418
Stock based compensation (note 4)	135,105	-
Depreciation	294	-
Interest on property tax payable	-	32,203
Interest on convertible debentures	-	44,498
Interest earned on funds on deposit	(50,044)	-
	500,438	245,680
Net loss and comprehensive loss	(500,438)	(245,680)
Deficit, beginning of period	(28,344,607)	(27,095,836)
Deficit, end of period	(28,845,044)	(27,341,516)
Weighted average number of shares outstanding	75,110,816	27,428,660
Basic and diluted loss per share	(0.01)	(0.01)

The accompanying notes are an integral part of these financial statements

ADEX Mining Inc.

Consolidated Statements of Cash Flows

For the three months ended March 31 (Unaudited)	2008 \$	2007 \$
Operating activities		
Net loss for the period	(500,438)	(245,680)
Items not affecting cash:		
Stock based compensation	135,105	-
Depreciation of capital assets	2,232	-
Amortization of bond premium	1,939	-
Interest on convertible debentures	-	44,498
	(361,162)	(201,182)
Change in non-cash working capital	(48,874)	(84,053)
	(410,036)	(285,235)
Investing activity		
Additions to mineral properties	(457,655)	-
Financing activities		
Exercise of warrants	269,655	-
Issuance of convertible debentures	-	420,000
	269,655	420,000
Change in cash	(598,036)	134,765
Cash, beginning of period	8,585,430	66,410
Cash, end of period	7,987,394	201,175
Cash is comprised of:		
Cash	5,662,682	201,175
Committed cash	2,382,921	-

The accompanying notes are an integral part of these financial statements

Adex Mining Inc.

Notes to the Consolidated Financial Statements

March 31, 2008

1. NATURE OF OPERATIONS

Adex Mining Inc. (the "Company") holds 100% of the subsurface mineral rights to approximately 1,600 hectares encompassing the Mount Pleasant mine area of New Brunswick, Canada (the "Property" or "Mount Pleasant"). Within the mineral rights area the Company owns approximately 405 hectares of land, plus the buildings, machinery and equipment on site which comprise the dormant Mount Pleasant mine.

The Company has owned the Property since 1995. During 1995 to 1997 the Company embarked on various development activities. During the period from 1998 to July, 2007, the Company kept its claims to the Property in good standing but limited exploration activities were performed. In light of improvements in global commodity prices the Company has initiated a new program of exploration and development. It's primary focus is the development of two zones on the property, one containing tungsten and molybdenum and the other containing tin and indium.

The Company has interests in resource properties which it is in the process of exploring and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of expenditures on resource properties, including deferred exploration expenditures, is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of the resource properties, and upon future profitable production or proceeds from the disposition thereof.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") on a basis consistent with the Company's audited annual consolidated financial statements as at and for the year ended December 31, 2007 (except as noted below) and should be read in conjunction with those statements as they do not contain all information or disclosure to be accordance with Canadian generally accepted accounting principles for annual financial reporting. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these consolidated financial statements. Operating results for the three months ended March 31, 2008 may not be indicative of the results that may be expected for the full year ending December 31, 2008.

Use of estimates and assumptions

The preparation of the unaudited interim period consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts and disclosures made in the unaudited interim period consolidated financial statements and accompanying notes. These estimates and assumptions are based on management's historical experience, best knowledge of current events and conditions and activities that may be undertaken in the future. Actual results could differ from these estimates.

Change in accounting policy – Capital Disclosures

Canadian Institute of Chartered Accountants ("CICA") Handbook Section 1535 - Capital Disclosures specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. This new section places increased emphasis on disclosures about the nature and extent of risks and as such did not have an impact on the Company's financial results or position.

Change in accounting policy – Financial Instruments – Disclosure and Presentation

CICA Handbook Sections 3862 Financial Instruments – Disclosure, and 3863 Financial Instruments – Presentation have been adopted for interim and annual financial statements for the Company's reporting period beginning on January 1, 2008. The new Sections 3862 and 3863 replace Handbook Section 3861 Financial Instruments — Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures

about the nature and extent of risks arising from financial instruments and how the entity manages those risks and as such did not have an impact on the Company's financial results or position.

Change in accounting policy - General Standards of Financial Statement Presentation

The CICA amended Section 1400 - General Standards of Financial Statement Presentation to include requirements to assess and disclose an entity's ability to continue as a going concern. The main features of the changes are as follows:

- Management is required to make an assessment of an entity's ability to continue as a going concern;
- In making its assessment, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the balance sheet date;
- Financial statements must be prepared on a going concern basis unless management intends to liquidate the entity, to cease trading or cease operations, or has no realistic alternative but to do so;
- Disclosure is required of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern; and
- When financial statements are not prepared on a going concern basis, that fact should be disclosed, together with the basis on which the financial statements are prepared and the reason the entity is not regarded as a going concern.

The adoption of this change in accounting policy had no impact on the Company's financial results or position.

Future changes in accounting policy – Goodwill and Other Intangible Assets and Financial Statement Concepts

In November 2007, the CICA:

- Issued amendments to Section 1000 - Financial Statement Concepts and AcG 11 - Enterprises in the Development Stage;
- Issued a new Handbook Section 3064 - Goodwill and Intangible Assets to replace Section 3062 - Goodwill and Other Intangible Assets; and
- Withdrew Section 3450 - Research and Development Costs and amended EIC 27 - Revenues and Expenditures During the Pre-operating Period to not apply to entities that have adopted Section 3064.

These amendments provide guidance for the recognition of internally developed intangible assets, including assets developed from research and development activities, ensuring consistent treatment of all intangible assets, whether separately acquired or internally developed. The amendments are effective for annual and interim financial statements relating to fiscal years beginning on or after October 1, 2008 and, therefore, the Company will implement them in the first quarter of 2009, retroactively with restatement of the comparative periods for the current and prior year. The impact of implementing these amendments on the Company's financial statements is currently being assessed.

3. MINERAL PROPERTIES

	Mount Pleasant \$
Balance, December 31, 2007	815,551
Additions	457,655
Balance, March 31, 2008	1,273,206

Mount Pleasant Property, New Brunswick

The Company holds a 100% interest in the subsurface mineral rights to approximately 1,600 hectares encompassing the Mount Pleasant mine area. Within the mineral rights area the Company owns approximately 405 hectares of land. Deferred expenditures to December 31, 2006 were related to the preparation and publishing of a National Instrument 43-101 ("NI 43-101") compliant technical report. Deferred expenditures to March 31, 2008 are related to the undertaking of a drill program to expand the NI 43-101 report.

4. SHAREHOLDERS' EQUITY

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preference shares. The following table provides the details of changes in the number of issued common shares.

	Number of shares	Amount \$
Balance, December 31, 2007	74,659,015	37,070,091
Warrants exercised	2,696,550	359,824
Balance, March 31, 2008	77,355,565	37,429,915

Stock options

On January 30, 2008, the Company granted 50,000 common share stock options with an exercise price of \$0.33 to a consultant providing project management services to the Company. The options vest over a twelve month period from the date of the grant.

The following summary sets out the activity in outstanding common share stock options over the three months ended March 31, 2008:

	Options #	Weighted-average exercise price \$
Outstanding, December 31, 2007	4,240,000	0.31
Granted	50,000	0.33
Outstanding, March 31, 2008	4,290,000	0.31
Options exercisable at March 31, 2008	3,493,333	0.31

The details of stock options outstanding at March 31, 2008 are as follows:

Number of stock options	Number exercisable	Remaining contractual life	Exercise price per share	Expiry date
2,050,000	2,050,000	4.26 years	\$0.30	June 29, 2012
1,510,000	755,000	4.26 years	\$0.30	June 29, 2012
250,000	62,500	4.36 years	\$0.40	August 2, 2012
140,000	70,000	4.40 years	\$0.35	August 17, 2012
140,000	70,000	4.40 years	\$0.35	August 17, 2012
150,000	37,500	4.68 years	\$0.45	November 28, 2012
50,000	8,333	4.85 years	\$0.33	January 30, 2013

The weighted average fair value of the options granted is \$0.31 per option estimated at the date of grant using the Black-Scholes pricing model with the following assumptions: risk-free weighted-average interest rate of 4.63%, expected dividend yield of nil, average expected volatility of 100% and expected life term of 5 years. Under this method of calculation, the Company has recorded \$135,105 as stock based compensation, being the fair value of the 555,833 options vested during the period ended March 31, 2008.

Warrants

The following summary sets out the activity in the Company's outstanding common share purchase warrants over the three months ended March 31, 2008:

	Warrants	Exercise Price Range
Outstanding, December 31, 2007	15,858,350	\$0.10 to \$0.60
Exercised	(2,696,550)	\$0.10
Outstanding, March 31, 2008	13,161,800	\$0.10 to \$0.60

The details of the Company's outstanding common share purchase warrants at March 31, 2008 are as follows:

Number of warrants	Remaining contractual life	Exercise price per share	Expiry date
1,800,000	0.15 years	\$0.30	May 24, 2008
350,000	0.95 years	\$0.60	March 13, 2009
11,011,800	1.25 years	\$0.10-0.30	June 30, 2009

5. RELATED PARTY TRANSACTIONS

During the three months ended March 31, 2008, the Company incurred expenses of \$73,500 with directors and officers of the Company for director's fees and consulting and administrative services in the normal course of operations.

There are no amounts payable to these related parties at March 31, 2008. The amounts paid and owing are measured at the exchange amount, are non-interest bearing and due on demand.

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of financial assets and liabilities

Under Canadian generally accepted accounting principles, financial instruments are classified into one of the following five categories: held-for-trading, held to maturity investments, loans and receivables, available-for-sale financial assets and other financial liabilities. The carrying values of the Company's financial instruments, including those held for sale on the consolidated balance sheet are classified into the following categories:

	March 31 2008	December 31 2007
	\$	\$
Held for trading ⁽¹⁾	8,045,603	8,585,430
Loans and receivables ⁽²⁾	236,328	146,708
Held to maturity ⁽³⁾	685,729	687,668
Other financial liabilities ⁽⁴⁾	397,400	255,805
	9,481,478	9,675,611

(1) Includes cash and committed cash

(2) Includes accounts receivable.

(3) Reclamation bond

(4) Includes accounts payable and accrued liabilities.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. The fair values of the Company's financial instruments are not materially different from their carrying value.

Risks arising from financial instruments and risk management

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company

The Company uses various methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks.

(a) Market risk

(i) Price risk

Commodity price risk

Commodity price risk is the risk of financial loss resulting from movements in the price of the Company's commodity inputs and outputs. The Company is exposed to commodity price risk arising from revenue derived from forecast future sales of the metals it is exploring for. The Company does not manage commodity price risk through the use of derivative instruments.

Sensitivity

At March 31, 2008, a change in the value of tungsten, molybdenum, tin and indium would not change the recognized value of any of the Company's financial instruments.

(ii) Cash flow fair value interest rate risk

The Company does not have interest-bearing borrowings for which general rate fluctuations apply. The Company is exposed to interest rate risk to the extent of the balance of the bank accounts.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposures to outstanding receivables.

The Company has no concentration of credit risk. The carrying amount of financial assets recorded in the financial statements are adjusted for any impairment and represent the Company's maximum exposure to credit risk.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining at all times sufficient cash, liquid investments and committed credit facilities to meet the Company's commitments as they arise. The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows.

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets (such as publicly traded available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the closing price.

7. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to maintain adequate levels of funding to support exploration and development of its Mount Pleasant property and to maintain corporate and administrative functions.

The Company manages its capital structure in a manner that provides sufficient funding for mineral exploration and operational activities. Funds are primarily secured through issuance of common share capital. There can be no assurances that the Company will be able to continue adequate funding of its business in this manner.

8. SUBSEQUENT EVENTS

Exercise of warrants

From January 1, 2008 to and including May 23, 2008, 10,761,796 warrants were exercised for an aggregate cash consideration of \$1,076,180 resulting in the issuance of 10,761,796 common shares.