

HIGH RIDGE RESOURCES INC.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

SEPTEMBER 30, 2009

(Unaudited)

The accompanying interim consolidated financial statements have been prepared by management and have not been reviewed by the company's auditor.

HIGH RIDGE RESOURCES INC.
CONSOLIDATED INTERIM BALANCE SHEET
AS AT SEPTEMBER 30 2009
 Unaudited

	September 30 2009	December 31 2008
ASSETS		
Current		
Cash	\$ 228	\$ -
Receivables	16,004	6,936
Prepaid expenses	-	9,250
	<u>16,232</u>	<u>16,186</u>
Mineral property interests (Note 5)	<u>5,001</u>	<u>1</u>
	<u>\$ 21,233</u>	<u>\$ 16,187</u>

LIABILITIES AND SHAREHOLDERS' EQUITY(DEFICIENCY)

Current		
Accounts payable and accrued liabilities	<u>\$ 321,665</u>	<u>\$ 1,048,349</u>
Shareholders' equity (Deficiency)		
Share capital (Note 6)	8,288,071	8,051,821
Contributed surplus (Note 6)	775,854	775,854
Deficit	<u>(9,364,357)</u>	<u>(9,859,837)</u>
	<u>(300,432)</u>	<u>(1,032,162)</u>
	<u>\$ 21,233</u>	<u>\$ 16,187</u>

Contingency (Note 9)

On behalf of the Board:

"Gary Anderson"

 Director

"Dave McElhanney"

 Director

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

HIGH RIDGE RESOURCES INC.
CONSOLIDATED STATEMENT OF OPERATIONS COMPREHENSIVE LOSS AND DEFICIT
NINE MONTHS ENDED SEPTEMBER 30 2009
Unaudited

	Three Months September 30 2009	Three Months September 30 2008 (Amended) (See Note 1)	Nine Months September 30 2009	Nine Months September 30 2008
ADMINISTRATIVE EXPENSES				
Amortization	\$ -	\$ 5,055	\$ -	\$ 17,062
Consulting and management	3,000	17,022	9,000	117,484
Foreign exchange	-	(75,118)	8,776	(105,754)
Insurance	-	5,127	9,250	15,004
Investor relations	120	34,416	360	112,439
Office and sundry	4,534	267,688	10,958	317,077
Professional fees	2,508	20,004	95,649	143,823
Property investigations	-	(55,041)	-	1,021
Regulatory and transfer agent fees	12,780	3,938	24,051	39,095
Rent	889	(10,193)	16,258	35,844
Salaries and benefits	1,300	61,749	3,153	243,643
Shareholder information	-	9,840	-	76,986
Stock-based compensation	-	-	-	121,986
Telephone	-	1,373	9,016	19,967
Travel and business development	-	(9,929)	9,174	70,309
	<u>25,131</u>	<u>275,931</u>	<u>195,645</u>	<u>1,225,986</u>
OTHER ITEMS				
Interest income	-	(15,227)	-	(18,184)
Gain on disposition of subsidiary	-	-	(726,075)	-
Mineral property interest expenses	-	-	34,950	-
	<u>-</u>	<u>(15,227)</u>	<u>(691,125)</u>	<u>(18,184)</u>
Net Income (Loss) for the period	(25,131)	(260,704)	495,480	(1,207,802)
Deficit, beginning of period	<u>(9,339,226)</u>	<u>(3,361,348)</u>	<u>(9,859,837)</u>	<u>(2,414,250)</u>
Deficit, end of period	<u>(9,364,357)</u>	<u>(3,622,052)</u>	<u>(9,364,357)</u>	<u>(3,622,052)</u>
Basic and diluted Income (loss) per common share	\$ (0.00)	\$ (0.01)	\$ 0.01	\$ (0.05)
Weighted average number of common shares issued and outstanding - basic and diluted	37,914,433	30,269,284	35,738,835	26,211,153

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

HIGH RIDGE RESOURCES INC.
CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
NINE MONTHS ENDED SEPTEMBER 30
Unaudited

	Three Months September 30 2009	Three Months September 30 2008 (Amended) (See Note 1)	Nine Months September 30 2009	Nine Months September 30 2008
CASH FLOWS FROM OPERATING ACTIVITIES				
Net Income (Loss) for the period	\$ (25,131)	\$ (260,704)	\$ 495,480	\$ (1,207,802)
Items not affecting cash:				
Amortization	-	5,055	-	17,062
Stock-based compensation	-	-	-	121,986
Gain on disposal of subsidiary	-	-	(726,075)	-
	(25,131)	(255,649)	(230,595)	(1,068,754)
Changes in non-cash working capital items:				
(Increase) decrease in receivables	(5,569)	97,936	(9,068)	(38,961)
Decrease in mining tax credit receivable	-	(102,374)	-	-
Decrease in prepaid expenses	-	(17,483)	9,250	(374)
Increase (decrease) in accounts payable and accrued liabilities	8,671	(385,751)	(456)	(349,536)
Net cash used in operating activities	(22,029)	(663,321)	(230,869)	(1,457,625)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds on issue of capital stock, net	-	1,088,180	231,250	3,411,636
Options exercised	-	-	-	75,000
Proceeds on disposition of subsidiary	-	-	11	-
Net cash provided by financing activities	-	1,088,180	231,261	3,486,636
CASH FLOWS FROM INVESTING ACTIVITIES				
Payment of deferred exploration expenditures	-	(548,793)	-	(1,935,426)
Acquisition of equipment	-	(5,890)	-	(69,517)
Net cash used in investing activities	-	(554,683)	-	(2,004,943)
Change in cash during the period	(22,029)	(129,824)	392	24,068
Cash decrease on subsidiary disposition	-	-	(164)	-
Cash, beginning of the period	22,257	273,445	-	119,553
Cash, end of the period	\$ 228	\$ 143,621	\$ 228	\$ 143,621

Supplemental disclosure with respect to cash flows (Note 8)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

The interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Minera High Ridge del Peru, up to the date of disposition of June 18, 2009. All inter-company transactions and balances have been eliminated upon consolidation. The Company's primary business is the acquisition and exploration of mineral interests. The Company is considered to be in the exploration stage.

These unaudited interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The summary of significant accounting policies is presented to assist the reader in understanding the Company's financial statements. The financial statements and notes are representative of the Company's management who is responsible for their integrity and objectivity. These interim financial statements should be read in conjunction with the audited annual financial statements for the year ended December 31, 2008. The Company applies the same accounting policies and methods in these interim financial statements as those in the audited annual financial statements, except where noted.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. As at September 30, 2009, the Company had current assets of \$16,232 to pay current liabilities of \$321,665. The Company has not yet determined whether its mineral interests contain economically recoverable resources. The recoverability of amounts shown for mineral interests and their related deferred exploration expenditures is dependent upon the discovery of economically recoverable reserves. The Company does not generate sufficient cash flow from operations to adequately fund its exploration activities, and has therefore relied principally upon the issuance of securities for financing. The Company intends to continue relying upon the issuance of securities to finance its operations and exploration activities to the extent such instruments are issuable under terms acceptable to the Company.

These financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

The financial information presented in the Statement of Operations and Deficit and in the Statement of Cash Flows for the three months ended September 30, 2008 has been amended. The financial information, as previously filed, was for the six month period April 1, 2008 through September 30, 2008. The amendment has no impact on the financial information for the nine months to September 30, 2008.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of any contingent assets and liabilities as at the date of the financial statements, as well as the reported amounts of revenues earned and expenses incurred during the reporting periods.

The Company's current items involving substantial measurement uncertainty are the carrying costs of mineral interests and their related deferred exploration expenditures, the estimate for future site restoration and abandonment costs, the fair value of financial instruments, asset retirement obligation, useful life of amortization, the determination of the value of stock-based compensation and future income taxes.

3. ADOPTION OF NEW ACCOUNTING POLICIES

Goodwill and Intangible Assets

On January 1, 2009 the Company adopted Handbook Section 3064 which replaces Section 3062, Goodwill and Other Intangible Assets, and Section 3450, Research and Development Costs. This new section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets. Standards concerning goodwill remain unchanged from the standards included in the previous Section 3062. The adoption of this section has no significant impact on the Company's earnings or disclosure presentation.

4. RECENT ACCOUNTING PRONOUNCEMENTS

International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010.

Business Combinations

In January 2009, the CICA issued Handbook Sections 1582 "Business Combinations", 1601 "Consolidated Financial Statements" and 1602 "Non Controlling Interests" which replace CICA Handbook Sections 1581 "Business Combinations" and 1600 "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. These sections are applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning on or after January 1, 2011. Early adoption of these Sections is permitted and all three Sections must be adopted concurrently.

5. MINERAL PROPERTY INTERESTS

	Newton Hill	Chuchi	Total
Acquisition Costs			
Balance December 31, 2008	\$ -	\$ 1	\$ 1
Shares issued	5,000	-	5,000
Balance September 30, 2009	\$ 5,000	\$ 1	\$ 5,001

Newton Hill Property

On July 20, 2004, the Company entered into an option agreement to acquire a 100% interest in certain mineral claims located in the Clinton Mining Division of British Columbia, referred to as the Newton Hill Property. The property is subject to a 2% NSR. To exercise the option, the Company has paid to date a total of \$60,000, issued an aggregate of 360,000 common shares valued at a total value of \$140,000, and is required to:

- pay \$12,000(paid) and issue 100,000 common shares on or before June 26, 2008(issued);
- pay \$60,000 and issue 100,000 common shares on or after June 26, 2009; and
- incur exploration costs of \$750,000 by June 26, 2009.

The NSR can be purchased at any time by the Company for \$1,200,000.

The Company has acquired additional mineral claims by staking.

On December 31, 2008 the Company wrote down the recorded cost of the property to Nil.

On August 22, 2009, the Company entered into an agreement with Amarc Resources Ltd. (“Amarc”), by which Amarc was granted an option to acquire an 80% interest in the Newton property. Under the terms of the agreement Amarc will pay \$60,000 to the underlying Newton Hill property owners and agree to expend a total of approximately \$5 million on the property in exploration expenditures over seven years. In addition, the Company issued 100,000 common shares to Amarc at a value of \$5,000, as consideration for the Amarc agreeing to issue 100,000 shares in the capital of Amarc to the underlying Newton Hill property owners. Upon exercise of the option by Amarc, the Company and Amarc will enter in to a joint venture agreement.

Chuchi Property

The Company owns a 100% interest in certain mineral claims located in the Omineca Mining Division of British Columbia, referred to as the Chuchi Property. The property is subject to a 3% net smelter return royalty (“NSR”). The Company is required to pay annual advance royalties of \$20,000 from October 26, 2008 ceasing in the year in which commercial production commences.

The NSR can be reduced to 1% by paying \$2,000,000 to the optionors. The Company is required to issue an additional 200,000 common shares upon the commencement of commercial production.

On December 31, 2008 the Company wrote down the recorded cost of the property to \$1.

6. SHARE CAPITAL

	Number of Shares		Capital Stock		Contributed Surplus
Authorized					
Unlimited number of common shares without par value					
Balance December 31, 2008	32,877,070	\$	8,051,821	\$	775,854
Private placement	5,000,000		250,000		-
Shares issued for property	100,000		5,000		-
Share issue costs	-		(18,750)		-
Balance September 30, 2009	37,977,070	\$	8,288,071	\$	775,854

i) Escrow Shares

As at September 30, 2009, no shares are held in escrow.

ii) Share issuances

On April 28, 2009, the Company issued 5,000,000 units at a price of \$0.05 per unit for gross proceeds of \$250,000. Each unit consists of one common share and one share purchase warrant, each full warrant entitling the holder to purchase one additional common share at a price of \$0.10 per share expiring April 28, 2011. A finder's fee of \$18,750 was paid in connection with the placement.

On August 27, 2009, the Company issued 100,000 shares at a price of \$0.05 per share, pursuant to the Newton Hill property option agreement referred to in Note 5.

Stock options and warrants

The Company has a 10% rolling incentive stock option plan for the benefit of its directors, officers, employees and consultants, whereby options to purchase common shares of the Company may be granted from time to time, provided that the maximum number of options that are outstanding at any time shall not exceed 10% of the issued and outstanding common shares of the Company. The exercise price of each option is based on the market price of the Company's common stock at the date of grant less applicable discount. The option may be granted for a maximum of five years and vesting is determined by the Board of Directors.

Stock options are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Options outstanding, December 31, 2008	1,095,000		0.37
Cancelled and expired	(200,000)		0.44
Options outstanding, September 30, 2009	895,000	\$	0.34
Options exercisable, September 30, 2009	895,000	\$	0.34

HIGH RIDGE RESOURCES INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

6. SHARE CAPITAL (Continued)

The following stock options were outstanding at September 30, 2009:

Exercise price	Number of Options	Expiry Date
0.30	550,000	March 1, 2011
0.50	125,000	June 15, 2012
0.35	<u>220,000</u>	May 28, 2013
	895,000	

Share purchase warrants

Share purchase warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Warrants outstanding, September 30, 2009	10,980,500	\$ 0.25

The following warrants expire as follows:

Exercise price	Number of Options	Expiry Date
\$ 0.20	1,000,000	October 10, 2010
0.30	224,100	October 7, 2009
0.40	3,568,900	August 5, 2010
0.45	1,187,500	October 7, 2009
0.10	5,000,000	April 28, 2011
\$ 0.25	10,980,500	

7. RELATED PARTY TRANSACTIONS

During the nine months ended September 30, 2009, the Company paid or accrued consulting fees and salaries of \$9,000 (September 30, 2008 - \$153,000) to directors and companies controlled by directors.

As at September 30, 2009, accounts payable included \$129,568 (December 31, 2008 - \$95,082) due to directors and companies controlled by directors.

These transactions were 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.

8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

For the period ended September 30, 2009, the Company's significant non-cash transactions consisted of

- a) the issuance of 100,000 common shares valued at \$5,000 (2008 - \$181,000) related to mineral property option agreements,
- b) the issuance of compensatory Agents' warrants valued at \$Nil (2008 - \$87,548) for share issuance costs,
- c) the recognition of a fair value component of \$Nil (2008 - \$\$47,945) in respect of options exercised.

9. SUBSEQUENT EVENT

On October 30, 2009, the Company completed a non-brokered private placement and issued 3,000,000 units at a price of \$0.045 per Unit for gross proceeds of \$135,000. Each Unit consists of one common share and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one additional common share of High Ridge at \$0.05 per share for a period of 12 months from the date of issue of the Warrant. A finders' fee equal to 8.0% of the proceeds from the sale of Units was paid in cash by High Ridge in connection with the sale of the Units.