

HIGH RIDGE RESOURCES INC.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

JUNE 30, 2008

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 in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor

HIGH RIDGE RESOURCES INC.
INTERIM CONSOLIDATED BALANCE SHEETS
SIX MONTHS ENDED JUNE 30, 2008
(Unaudited)

	June 30, 2008	December 31, 2007
ASSETS		
Current Assets		
Cash	\$ 273,445	\$ 119,553
Amounts receivable	151,405	14,508
Mining tax credit receivable	-	102,374
Prepaid expenses	15,045	32,154
	439,895	268,589
Reclamation Bonds	25,000	25,000
Advances on Mineral Properties (Note 5)	17,728	17,728
Mineral Property Interests (Note 6)	3,995,866	2,428,233
Equipment (Note 4)	119,114	67,494
	\$ 4,597,603	\$ 2,807,044
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 315,804	\$ 279,589
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	6,894,471	4,218,118
Share subscriptions received in advance	-	136,500
Contributed Surplus	748,676	587,087
Deficit	(3,361,348)	(2,414,250)
	4,281,799	2,527,455
	\$ 4,597,603	\$ 2,807,044

On behalf of the Board:

"Gary Anderson"

Director

"David McElhanney"

Director

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

HIGH RIDGE RESOURCES INC.**INTERIM CONSOLIDATED STATEMENT OF OPERATIONS AND DEFICIT**

THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2008 AND 2007

(Unaudited)

	For the Three Months Ended		For the Six Months Ended	
	June 30, 2008	June 30, 2007	June 30, 2008	June 30, 2007
Administrative Expenses				
Amortization	\$ 5,379	\$ 5,331	\$ 12,007	\$ 8,431
Consulting and management	30,738	50,038	100,462	93,989
Foreign exchange	(72,955)	122,589	(30,636)	121,258
Insurance	4,971	438	9,877	1,021
Investor relations	29,297	15,000	78,023	27,676
Office and sundry	(28,616)	46,428	49,389	54,689
Professional fees	58,687	27,953	123,819	38,008
Property investigations	55,813	10,127	56,062	17,556
Regulatory and transfer agent fees	14,115	12,468	35,157	22,355
Rent	33,795	11,706	46,037	19,326
Salaries and related benefits	139,667	-	181,894	-
Shareholder information	23,826	13,143	67,146	28,885
Stock-based compensation	110,000	139,988	121,986	175,028
Telephone	10,682	6,265	18,593	11,968
Travel and business development	57,151	18,513	80,238	42,749
	472,550	479,987	950,054	662,939
Other Income (Expense)				
Interest income	496	6,631	2,956	13,319
Loss for the period	(472,054)	(473,356)	(947,098)	(649,620)
Deficit, beginning of period	(2,889,294)	(1,125,766)	(2,414,250)	(949,502)
Deficit, end of period	(3,361,348)	(1,599,122)	(3,361,348)	(1,599,122)
Basic and diluted loss per share	\$ (0.02)	\$ (0.03)	\$ (0.04)	\$ (0.05)
Weighted average number of shares issued and outstanding - basic and diluted	\$ 27,548,225	15,221,394	23,871,621	14,323,824

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

HIGH RIDGE RESOURCES INC.**INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2008 AND 2007

(Unaudited)

	For the Three Months Ended		For the Six Months Ended	
	June 30, 2008	June 30, 2007	June 30, 2008	June 30, 2007
Cash flows from (used in) operating activities				
Loss for the period	\$ (472,054)	\$ (473,356)	\$ (947,098)	\$ (649,620)
Items not involving cash:				
Amortization	5,379	5,331	12,007	8,431
Stock-based compensation	110,000	139,988	121,986	175,028
Changes in non-cash working capital:				
Decrease (Increase) in amounts receivable	69,160	(25,723)	(136,897)	(50,788)
Decrease (Increase) in Mining tax credit receivable	-	-	102,374	-
(Increase) Decrease in prepaid expenses	(1,054)	(1,926)	17,109	715
(Increase) Decrease in accounts payable and accrued liabilities	(17,856)	(18,511)	36,215	(37,404)
Net cash used in operating activities	(306,425)	(374,197)	(794,304)	(553,638)
Cash flows used in investing activities				
Payment of deferred exploration expenditures	(712,272)	(214,599)	(1,386,633)	(420,247)
Proceeds on disposal of equipment	-	-	-	-
Acquisition of equipment	(39,860)	(17,399)	(63,627)	(38,635)
Net cash used in investing activities	(752,132)	(231,998)	(1,450,260)	(458,882)
Cash flows from financing activities				
Issuance of shares for cash, net of share issue costs	635,821	1,223,965	2,323,456	1,223,965
Warrants exercised	-	75,937	-	328,687
Options exercised	-	-	75,000	93,750
Net cash provided by financing activities	635,821	1,299,902	2,398,456	1,646,402
Increase (decrease) in cash and cash equivalents	(422,736)	693,707	153,892	633,882
Cash and cash equivalents, beginning of period	696,181	260,362	119,553	320,187
Cash and cash equivalents, end of period	\$ 273,445	\$ 954,069	\$ 273,445	\$ 954,069

Supplemental disclosure with respect to cash flows (Note 10)

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

HIGH RIDGE RESOURCES INC.**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

JUNE 30, 2008

(Unaudited)

1. BASIS OF PRESENTATION AND OPERATIONS

The interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Minera High Ridge del Peru, incorporated in Peru. 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.

The accompanying consolidated financial statements for the interim periods ended June 30, 2008 and 2007, are prepared on the basis of accounting principles generally accepted in Canada and are unaudited but in the opinion of management, reflect all adjustments (consisting of normal recurring accruals) necessary for fair presentation of the financial position, operations and changes in financial results for the interim periods presented. The consolidated financial statements for the interim periods are not necessarily indicative of the results to be expected for the full year and have been prepared using Canadian generally accepted accounting principles applicable to a going concern.

As at June 30, 2008, the Company had working capital of \$124,091 and an accumulated deficit of \$3,361,348. 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. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and are expressed in Canadian dollars, unless specifically indicated otherwise. They do not contain the detail or footnote disclosure concerning accounting policies and other matters, which would be included in full year financial statements, and therefore should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2007.

Financial instruments

Effective January 1, 2007, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants ("CICA") under CICA Handbook Section 1530 "Comprehensive Income" ("Section 1530"), Section 3251 "Equity", Section 3855 "Financial Instruments – Recognition and Measurement" ("Section 3855"), Section 3861 "Financial Instruments – Disclosure and Presentation" and Section 3865 "Hedges". These new sections, which apply to fiscal years beginning on or after October 1, 2006, provide requirements for the recognition and measurement of financial instruments and on the use of hedge accounting. Section 1530 establishes standards for reporting and presenting comprehensive income, which is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income but that are excluded from net income calculated in accordance with Canadian generally accepted accounting principles. The Company did not have any comprehensive income in the period.

Under Section 3855, all financial instruments are classified into one of five categories: held-for-trading financial instruments, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments and derivatives are measured in the balance sheet at fair value, except for loans and receivables, held-to-maturity investments and other financial liabilities, which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification. Held-for-trading financial instruments are measured at fair value and changes in fair value are recognized in net income. Available-for-sale financial assets are measured at fair value and changes in fair value are recognized in other comprehensive income until the instrument is derecognized or impaired.

Cash is classified as held-for-trading. Receivables and mining tax credit receivable are classified as loans and receivables and accounts payable and accrued liabilities are classified as other liabilities.

The adoption of these new sections has not had a significant impact on the Company's financial position, results of operations and cash flows.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Recent accounting pronouncements

Assessing Going Concern

The Accounting Standards Board (“AcSB”) amended CICA Handbook Section 1400, to include requirements for management to assess and disclose an entity’s ability to continue as a going concern. This section applies to interim and annual financial statements relating to fiscal years beginning on or after January 1, 2008.

Financial Instruments

The AcSB issued CICA Handbook 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 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*. This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

The AcSB issued CICA Handbook 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 non-financial 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. This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Capital Disclosures

The AcSB issued CICA Handbook Section 1535, which establishes standards for disclosing information about an entity's capital and how it is managed. This section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Goodwill and Intangible Assets

The AcSB issued CICA 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 section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Recent accounting pronouncements (cont'd...)

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.

3. CAPITAL MANAGEMENT

The Company is in the business of mineral exploration in Canada and in Peru. Management determines the Company's capital structure and makes adjustments to it based on funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors has not established quantitative return on capital criteria for capital management but rather relies upon the expertise of the management team to sustain the future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; and the Company does not generate any revenue, and accordingly the Company is dependent upon external financing to fund both its exploration programs and its administrative costs. The Company will spend existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and to seek to acquire an interest in additional properties if management feels there is sufficient geologic or economic potential provided it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that its approach is reasonable.

The Company is not subject to externally imposed capital requirements.

HIGH RIDGE RESOURCES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008
(Unaudited)

4. EQUIPMENT

	June 30, 2008			December 31, 2007		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Computer equipment	\$ 47,624	\$ 14,601	\$ 33,023	\$ 37,073	\$ 9,834	\$ 27,239
Computer software	12,754	9,431	3,323	11,577	6,696	4,881
Office furniture and equipment	42,496	10,771	31,726	38,645	7,865	30,780
Field equipment	52,834	1,791	51,043	4,784	190	4,594
	\$ 155,708	\$ 36,594	\$ 119,114	\$ 92,079	\$ 24,585	\$ 67,494

5. ADVANCES ON MINERAL PROPERTIES

During the six month period ended June 30, 2008, the Company:

- a) Is owed \$17,728 for advances relating to a mineral property project. The whole amount is refundable should the project not proceed.

HIGH RIDGE RESOURCES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008
(Unaudited)

6. MINERAL PROPERTY INTERESTS

2008	Chuchi	Newton Hill	Silver Bay	Pacoocha	Chanape	Rosicler/ El Domo	Other	Total
Acquisition costs								
Balance as at December 31, 2007	\$ 310,761	\$ 165,976	\$ 36,000	\$ 299,250	\$ 191,352	\$ -	\$ 9,230	\$ 1,012,569
Additions:								
Shares issued	-	30,000	-	105,000	34,000	-	-	169,000
Cash payments	-	12,000	-	171,809	31,771	-	-	215,580
Other	30,153	-	-	12,000	-	-	15,118	57,271
	30,153	42,000	-	288,809	65,771	-	15,118	441,851
Balance as at June 30, 2008	340,914	207,976	36,000	588,059	257,123	-	24,348	1,454,420
Exploration Costs								
Balance as at December 31, 2007	169,610	519,407	115,270	296,531	314,846	-	-	1,415,664
Additions:								
Camp and field supplies	19,601	-	-	51,800	60,843	16,654	-	148,898
Equipment and vehicle rental	-	-	-	18,352	26,268	17,106	-	61,726
Field office and administration	-	-	-	93,229	187,541	105,333	-	386,103
Geological and geophysical	10,108	49	33	88,459	157,997	48,474	-	305,120
License and permits	-	-	-	557	341	108	-	1,006
Professional fees	-	-	-	65,085	26,186	23,137	-	114,408
Reports and maps	-	-	-	-	-	1,814	-	1,814
Transportation and travel	4,972	-	-	35,608	59,105	7,022	-	106,707
	34,681	49	33	353,090	518,281	219,648	-	1,125,782
Balance as at June 30, 2008	204,291	519,456	115,303	649,621	833,127	219,648	-	2,541,446
Total Mineral Property Interests	\$ 545,205	\$ 727,432	\$ 151,303	\$ 1,237,680	\$ 1,090,250	\$ 219,648	\$ 24,348	\$ 3,995,866

HIGH RIDGE RESOURCES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008
(Unaudited)

6. MINERAL PROPERTY INTERESTS (cont'd...)

Title to mineral properties involves inherent risks due to difficulties of determining the validity of certain mineral claims as well as the potential for problems arising from the frequently ambiguous conveyancing history, characteristic of many mining properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing, with the exception of the Bella Rubia concessions.

Chuchi Property

On October 25, 2004, the Company entered into an option agreement to earn 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"). To exercise the option, the Company paid a total of \$125,000 and issued aggregate of 400,000 common shares valued at a total of \$130,000, to-date, and is required to pay annual advance royalties of \$20,000 from October 26, 2008 ceasing in the year in which commercial production commenced.

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.

The Company acquired an additional mineral claim by staking.

The Company has paid a total of \$15,000 for a reclamation bond pursuant to regulatory requirements against potential reclamation obligations relating to exploration work on the Chuchi mineral interest.

Newton Hill Property

On July 20, 2004, the Company entered into an option agreement to acquire a 100% interest in certain mineral claims located on the Chilcotin Plateau in the Clinton Mining Division of British Columbia, referred to as the Newton Hill Property. The property is subject to a 2% net smelter royalty ("NSR"). To exercise the option, the Company paid a total of \$60,000, issued aggregate of 400,000 common shares valued at a total of \$140,000, to-date, and is required to:

- 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.

The Company has paid \$10,000 for a reclamation bond pursuant to regulatory requirements against potential reclamation obligations relating to exploration work on the Newton Hill mineral interest.

HIGH RIDGE RESOURCES INC.**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

JUNE 30, 2008

(Unaudited)

6. MINERAL PROPERTIES (cont'd...)**Silver Bay Property**

On August 31, 2004, the Company entered into an option agreement, subsequently amended, to acquire a 100% interest in certain mineral claims located on the Crawford Peninsula at Kootenay Lake in the Slocan Mining Division of British Columbia, referred to as the Silver Bay Property. To exercise this option, the Company paid a total of \$26,000, issued aggregate of 40,000 common shares valued at a total of \$10,000, to-date, and is required to:

- pay \$12,000 on or before August 31, 2008;
- pay \$12,000 and issue 60,000 common shares on or before August 31, 2009; and
- incur exploration costs of \$350,000 on or before August 31, 2009.

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

Pacococha Property***Rosicler – El Domo and Pacococha - Germania***

On March 22, 2007, the Company was granted an option to acquire a 100% interest in the Rosicler-El Domo and Pacococha-Germania mining concessions located in Peru, collectively referred to as the Pacococha Property. As consideration for the concessions, the Company paid \$332,250 (US\$325,000) (2006 - \$Nil) and issued 600,000 common shares valued at \$265,000 and is required to:

- pay US\$275,000 during fiscal 2008;
- pay US\$375,000 and issue 600,000 common shares during fiscal 2009;
- pay US\$625,000 and issue 600,000 common shares during fiscal 2010;
- pay US\$1,000,000 and issue 600,000 common shares during fiscal 2011; and
- pay US\$3,400,000 and issue 300,000 common shares during fiscal 2012.

The Company is obligated, pro-rata over the term of the option, to pay US\$300,000 and issue 150,000 common shares as finders' fees in connection with the transaction.

Bella Rubia

On June 9, 2007, the Company was granted an option to acquire a 100% interest in certain mining concessions located in the Pacococha mine area in Peru referred to as the Bella Rubia concessions. To exercise the option, the Company is required to pay US\$700,000 in semi-annual payments over five years, commencing on the date of the filing of the documented agreement. As at June 30, 2008, the agreement is not yet registered, pending resolution of title interest (Note 13).

HIGH RIDGE RESOURCES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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(Unaudited)

6. MINERAL PROPERTIES (cont'd...)

Chanape Property

On February 8, 2007, the Company entered into an option to acquire a 100% interest in certain concessions located in Peru, referred to as the Chanape property. To acquire its interest, the Company paid \$107,400 (US\$150,000), issued 200,000 common shares valued at \$94,000 and is required to:

- pay US\$100,000 and issue 100,000 common shares during fiscal 2008;
- pay US\$250,000 and issue 200,000 common shares during fiscal 2009;
- pay US\$350,000 and issue 200,000 common shares during fiscal 2010;
- pay US\$200,000 and issue 200,000 common shares during fiscal 2011; and
- pay US\$950,000 and issue 100,000 common shares during fiscal 2012.

The property is subject to a 2.5% NSR and the Company has the option to purchase a 1.5% NSR for US\$1,000,000.

7. SHARE CAPITAL

	Number of Shares		Capital Stock		Contributed Surplus
Balance, December 31, 2006	12,924,625	\$	2,045,719	\$	415,555
Stock options exercised	342,500		102,750		-
Warrants exercised	1,175,935		419,468		-
Private placement	3,000,000		1,350,000		-
Share issuance costs	-		(179,636)		-
Agents' units	119,110		53,600		-
Value assigned to agents' warrants as part of issuance costs	-		(67,779)		67,779
Contributed surplus allocated on options exercised	-		76,116		(76,116)
Contributed surplus allocated on warrants exercised	-		99,880		(99,880)
Stock-based compensation	-		-		279,749
Shares issued for mineral properties	600,000		318,000		-
Balance, December 31, 2007	18,162,170		4,218,118		587,087
Stock options exercised	250,000		75,000		-
Private placement	8,951,000		2,685,300		-
Share issuance costs	-		(225,344)		-
Value assigned to agents' warrants as part of issuance costs	-		(87,548)		87,548
Contributed surplus allocated on options exercised	-		47,945		(47,945)
Stock-based compensation	-		-		121,986
Shares issued for mineral properties	530,000		181,000		-
Balance, June 30, 2008	27,893,170	\$	6,894,471	\$	748,676

HIGH RIDGE RESOURCES INC.
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7. SHARE CAPITAL (cont'd...)

i) Private Placements

In May 2007, the Company completed a brokered private placement of 3,000,000 units at \$0.45 per unit, for proceeds of \$1,350,000 before share issue costs of \$179,636. Each unit consisted of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share expiring November 28, 2008, at a price of \$0.60 per common share.

The Company issued 19,110 Agents' units valued at \$53,600 as part of share issuance costs under the same terms as those to be issued pursuant to the private placement being at \$0.45 per unit. The Company also granted 300,000 Agents' warrants in respect of this private placement. Each Agents' warrant is exercisable at \$0.45 per share for an eighteen-month period. The Company recorded the fair value of these warrants being \$67,779 to share issuance costs.

In February 2008, the Company completed the first tranche of a private placement of 2,769,000 units at \$0.30 per unit, for proceeds of \$830,700 before share issue costs of \$61,656. Each unit consisted of one common share and one-half of a share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share expiring August 13, 2009, at a price of \$0.45 per common share.

The Company has issued 156,000 finders' warrants, valued at \$26,568, as part of this private placement which entitles the holder to purchase one common share at 30 cents per share of 18 months. The finders' warrants expire August 13, 2009.

In March 2008, the Company completed the second tranche of a private placement of 3,807,000 units at \$0.30 per unit, for proceeds of \$1,142,100 before share issue costs of \$87,009. Each unit consisted of one common share and one-half of a share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share expiring September 14, 2009, at a price of \$0.45 per common share.

The Company has issued 104,000 finders' warrants, valued at \$18,819, as part of this private placement which entitles the holder to purchase one common share at 30 cents per share of 18 months. The finders' warrants expire September 14, 2009.

In April 2008, the Company completed the third and final tranche of a private placement of 2,375,000 units at \$0.30 per unit, for proceeds of \$712,500 before share issue costs of \$76,679. Each unit consisted of one common share and one-half of a share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share expiring October 11, 2009, at a price of \$0.45 per common share.

The Company has issued 224,100 finders' warrants, valued at \$42,161, as part of this private placement which entitles the holder to purchase one common share at 30 cents per share of 18 months. The finders' warrants expire October 11, 2009.

HIGH RIDGE RESOURCES INC.
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7. SHARE CAPITAL (cont'd...)

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:

	<u>Granted</u>	
	Options	Weighted Average Exercise Price
Options outstanding, December 31, 2006	1,130,000	\$ 0.30
Granted	1,066,217	0.41
Exercised	(342,500)	0.30
Cancelled/expired	(37,500)	0.30
Options outstanding, December 31, 2007	1,816,217	0.37
Granted	950,000	0.35
Exercised	(250,000)	0.30
Cancelled/expired	(166,217)	0.40
Options outstanding, June 30, 2008	2,350,000	\$ 0.36
Options exercisable, June 30, 2008	2,087,500	\$ 0.36

HIGH RIDGE RESOURCES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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(Unaudited)

7. SHARE CAPITAL (cont'd...)

Stock option and warrants (cont'd...)

The following stock options were outstanding at June 30, 2008:

Exercise price	Number Outstanding	Expiry
\$0.30	750,000	March 1, 2011
\$0.35	950,000	May 28, 2013
\$0.40	200,000	February 22, 2009
\$0.40	50,000	May 2, 2009
\$0.50	400,000	June 15, 2012
	2,350,000	

Stock-based compensation

During the period ended June 30, 2008, stock options with a total estimated fair value of \$121,986 (2007 - \$175,028) became vested, which the Company recorded as stock-based compensation expense. The fair value per option was \$0.13 (2007 - \$0.19).

The fair value of stock options and compensatory warrants granted is estimated on the grant or issue date using the Black-Scholes option-pricing model. The weighted average assumptions used in the calculation of fair value are as follows:

	2008	2007
Risk-free interest rate	3.05 - 4.23%	4.23%
Expected life	1 - 2 years	1 years
Expected stock volatility	84-104%	101-104%
Expected dividend rate	Nil	Nil

HIGH RIDGE RESOURCES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008
(Unaudited)

7. SHARE CAPITAL (cont'd...)

Stock option and warrants (cont'd...)

Share purchase warrants

Share purchase warrant transactions are summarized as follows:

	Warrants	Weighted Average Exercise Price
Balance December 31, 2006	3,805,439 \$	0.42
Granted/issued	3,419,110	0.58
Exercised	(1,175,935)	0.36
Expired	(2,629,504)	0.45
Balance December 31, 2007	3,419,110	0.58
Issued	4,959,600	0.44
Exercised	-	-
Expired	-	-
Balance, June 30, 2008	8,378,710 \$	0.50

The following warrants expire as follows:

Exercise price	Number Outstanding	Expiry
\$ 0.45	300,000	November 28, 2008
\$ 0.45	119,110	November 28, 2008
\$ 0.60	3,000,000	November 29, 2008
\$ 0.45	1,384,500	August 13, 2009
\$ 0.30	1,903,500	August 13, 2009
\$ 0.45	156,000	September 14, 2009
\$ 0.30	104,000	September 14, 2009
\$ 0.45	1,187,500	October 9, 2009
\$ 0.30	224,100	October 9, 2009
	8,378,710	

HIGH RIDGE RESOURCES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2008
(Unaudited)

8. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash receivables, advances on mineral properties and accounts payable and accrued liabilities. The carrying values of the financial instruments and approximate their fair values, due to the relatively short period to maturity of these instruments. The Company is not subject to significant interest rate risk arising from these instruments.

Currency risk

The Company is exposed to financial risk arising from fluctuation of foreign exchange rates and the degree of volatility of those rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risks.

Receivable risk

The Company is exposed to credit risk with respect to its receivables and advances on mineral properties.

Political uncertainty

In conducting operations in Peru, the Company is subject to considerations and risks not typically associated with companies operating in North America. These include risks such as the political, economic and legal environments. Among other things, the Company's results may be adversely affected by changes in the political and social conditions in Peru, and by changes in governmental policies with respect to mining laws and regulations, anti-inflammatory measures, currency conversion and remittance abroad, and rates and methods of taxation.

9. RELATED PARTY TRANSACTIONS

During the six month period ended June 30, 2008, the Company entered into transactions with related parties as follows:

- a) paid or accrued consulting fees of \$33,000 (2007 - \$61,000) to directors and companies controlled by directors.
- b) paid salaries of \$30,000 (2007 - nil) to a director.
- c) paid geological consulting fees of \$60,000 (2007 - \$60,000) to a director.

As at June 30, 2008, there were no amounts due to related parties of the Company.

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.

HIGH RIDGE RESOURCES INC.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2008

(Unaudited)

10. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

For the six months ended June 30, 2008, the Company's significant non-cash transactions consisted of:

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

11. COMMITMENT AND CONTINGENCIES

The Company has entered into office premises lease agreements with basic annual rental payments as follows:

2008	\$ 55,524
2009	42,099
2010	5,526

A claim has been filed against the Company from a former director for \$49,000. The Company is disputing the amount owing. The likelihood of the outcome is not determinable and no liability has been recorded in connection with this lawsuit.

The Company was notified by the Supreme Court of Justice in Lima, Peru, ordered that registration of the agreement to the Bella Rubia concession be deferred until resolution of a dispute between the Company and another Canadian public company, who claims that they also have an agreement relating to these claims. The Company has provided a guarantee of US\$50,000 in connection with registration of the property. On March 4, 2008, an action was commenced against the Company in the Supreme Court of British Columbia asserting false claim of ownership. The Company is of the opinion that its agreement is valid and prior to the alleged agreement of the other company.

The Company has been named as a defendant in Peru on several legal claims related to the mineral property. The Company believes the lawsuits are without merit and intends to defend the claims vigorously. The likelihood of the outcome is not determinable and no liability has been recorded in connection with these lawsuits.

HIGH RIDGE RESOURCES INC.**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

JUNE 30, 2008

(Unaudited)

12. SEGMENTED INFORMATION

The Company's primary business is the acquisition and exploration of mineral interests. The Company's geographic information as at June 30, 2008 and December 31, 2007 is as follows:

	2008	2007
Capital assets:		
Canada	\$ 2,343,877	\$ 1,383,697
Peru	<u>1,771,103</u>	<u>1,112,030</u>
	<u>\$ 4,114,980</u>	<u>\$ 2,495,727</u>

13. SUBSEQUENT EVENTS

Subsequent to June 30, 2008, the Company:

- a) The Company completed a private placement for gross proceeds of \$892,225 thru the issuance of 3,568,900 units at a price of \$0.25 per unit. Each unit will consist of one common share and one common share purchase warrant. Each warrant will entitle the holder to purchase one additional common share of the Company for a period of 24-month from the date of issue of the warrant at the following exercise prices: (i) \$0.40 cents per share until the close of business on the day which is eight months after closing; (ii) thereafter at \$0.50 cents per share until the close of business on the day which is 16 months after closing; and (iii) thereafter at \$0.60 per share until the close of business on the day which is 24 months after closing.
- b) The Company issued 100,000 common shares for property payments.

HIGH RIDGE RESOURCES INC.

Management Discussion and Analysis
For the six month period ended June 30, 2008

Management Discussion and Analysis

The following management discussion and analysis is prepared as at August 28, 2008 and should be read in conjunction with the unaudited interim consolidated financial statements for the six month period ended June 30, 2008 and the audited financial statements for the years ended December 31, 2007 and 2006. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The reporting and the measurement currency is the Canadian dollar.

Forward Looking Statements

This MD&A contains certain information that may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. The Company disclaims any obligation or intention to update or to revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Description of Business

High Ridge Resources Inc. (the "Company") is an exploration stage company engaged primarily in the acquisition and exploration of mineral properties. At the time of these financial statements it has not been determined whether these properties contain economically recoverable ore reserves. The recoverability of the costs incurred to date on these properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the required financing to complete the development of the properties, and the future proceeds from the disposition of those reserves.

The Company currently has six (6) exploration properties under option, with three (3) located in British Columbia, Canada and three (3) located in the area south of San Mateo, 100 km east of Lima, Peru.

The vision of High Ridge Resources Inc. is to build:

- An established team and successful record for identifying large scale resource bodies with commercial potential, and participation in the further development of properties in partnership with local communities and established operating mining companies,
- A portfolio of strong prospect properties and established reputation that is recognized in the mining industry, and
- Strong reserves in the form of finances, minerals, investors and strategic partners for the long term operation of the company.

The financial statements have been prepared on a going concern basis, which assumes the realization of assets and discharge of liabilities in the normal course of business. .

The Company's ability to continue as a going concern is dependent upon successful achievement of additional financing, and upon its ability to realize profitable operations. Management intends to seek further funds through public offerings to finance its ongoing exploration and acquisition activities. These financial statements do not give effect to any adjustments that would be necessary should the Company not be able to continue as a going concern.

HIGH RIDGE RESOURCES INC.

Management Discussion and Analysis
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Second Quarter 2008 Operational & Administration Highlights

- Concluded 24 Km of 3D IP, Magnetic and GPS survey, and extended surface sampling on Rosicler- El Domo property.
- Completed permitting, the road and pad construction, and initiated the first phase of a 3,000-5,000m drilling campaign on Chanape property.
- Concluded geological mapping, surface sampling and 3D IP on Germania property.
- Completed the construction of 13 drill pads and access roads for exploration of the Chuchi property.
- As at June 30, 2008, the Company had working capital of \$124,091 and an accumulated deficit of \$3,361,348.

Overview of Exploration Properties

1) Chuchi Project – British Columbia

- 100% interest in 19 mineral claims comprising 38 units located in the Omineca Mining Division of British Columbia.
- 850 hectare situated approximately 90 km north of Fort St. James in central British Columbia.
- Road access, railroads and high capacity electrical transmission lines are within 150 road-km at the resource-based communities of Fort St. James and Mackenzie.
- Located 32km northwest of the Mt. Milligan copper-gold deposit now owned by Terrane Metals Corp.
- Additional ground was staked adjacent to the original claims (bringing the Company's land holdings to 9,753 hectares).
- Low-grade porphyry copper-gold deposit.
- Prior drill results on the north-eastern edge of the property include 158m of 0.22% copper and 0.10 g/t gold, 265m of 0.20% copper and 0.12 g/t gold, and 208m of 0.22% copper and 0.12 g/t gold.
- Historical IP/EM/soil data purchased from Pacific Geophysical Ltd.
- Sites of the intended drilling platforms have been identified and marked in the field by the Company geologist.
- Road access and site preparation completed in anticipation of drilling program.

2) Newton Hill Project – British Columbia

- 100% interest in Newton 1 claim consisting of twenty claim units covering approximately 410 hectares.
- Located 105 km west-south-west of Williams Lake, British Columbia on the Chilcotin Plateau in the Clinton Mining Division.
- An additional 3,700 hectares staked adjacent to original claims.
- Property covers approximately a 2 km diameter hydrothermal alteration system centered on Newton Hill.
- Prosperity (Fish Lake) Deposit located 40 km to the south of Newton Hill, in a similar geologic setting.
- Phase I drill program consisted of 11 drill holes, the best of which, DDH 06-12, averaged 2.33 grams per tonne (g/t) gold over 49 metres from 161 and 210 metres, still in gold mineralization, including two metres of 15.87 g/t gold from 185 to 187 metres. Drill hole DDH 06-12 is in oxidized rock throughout, and ends at 210 metres in gold mineralization. Copper in oxide form through the 49-metre gold intersection averaged 1,598 parts per million (0.15 per cent Cu).

HIGH RIDGE RESOURCES INC.

Management Discussion and Analysis
For the six month period ended June 30, 2008

- The Company intends to conduct a Phase II program comprising of trenching and additional drilling in 2008.

3) Silver Bay Project – British Columbia

- 100% interest in 22 mineral claims covering 1,730 hectares located in the Slocan Mining Division of British Columbia.
- Located in the vicinity of Nelson, BC, on the east-shore of Kootenay Lake. The property lies on the Crawford Peninsula 13km south from Riondel and the past-producing Bluebell Mine, a well-know Ag-Zn-Pb (silver-lead-zinc) deposit.
- Previous exploration work on the property by Cominco Ltd. and other companies suggests a favourable setting for the structure-controlled and bedding-hosted, Zn-Pb (+/- Ag) replacement mineralization.
- Detailed geological mapping and a surface UTEM3 survey have been completed.
- Strong conductive responses in areas surveyed, which warrants follow-up geophysical work along with drilling.
- Plans to expand the deep EM survey over the main portion of the project area.

4) Chanape - Peru

- 100% interest in 20 mining concessions totaling 808.34 hectares - located within the Matucana cadastral sheet 24-k.
- Located in the district of San Damian, in the province of Huarochiri and department of Lima, 138 kilometres (km) from Lima
- Accessible by road. The first 100 km east of Lima is along the well-maintained paved Central Highway to the town of San Mateo; the remaining 38 km from San Mateo to the property is via gravel roads.
- Occupies elevations between 4,300 and 4,900 metres (m).
- Numerous mineralized, gold-rich polymetallic veins and intrusive breccia pipes have been previously mapped within the property on two opposing sides of Chanape Creek (Tumialan, 1982; Ly et al., 1997 and 1999).
- Chanape area is part of an old and active mining district that has been explored and mined since the colonial period, but more extensive mining development began in 1950 with the building of the access gravel road from the Central Highway.
- Coricancha mine, formerly the Tamboraque mine, is the largest nearby active mine and is wholly owned by Gold Hawk Resources Inc. Gold Hawk owns a processing facility located just south of San Mateo.
- An independent NI 43-101-compliant report is being prepared for the property.
- 10,000 additional hectares of highly prospective ground has been staked in the area, for a total of just under 11,000 hectares. Approximately 4,000 hectares of this total includes the overstaking of old-style randomly oriented claims.
- Surface sampling, geochemical sampling, and magnetic, GPS and 3D IP surveys have been completed.
- Surface sampling and geochemical sampling completed during Q1.
- Magnetic, GPS and 3D IP surveys completed during Q1

5) Pacococha – Sunicancha - Peru

- 100% interest in 37 mining concessions located within the Matucana cadastral sheet 24-k, totaling 1223.75 hectares.

HIGH RIDGE RESOURCES INC.

Management Discussion and Analysis

For the six month period ended June 30, 2008

- Located within old and active mining districts SE of San Mateo approximately 125 kilometres ENE of Lima in the Province of Huarochiri, Department of Lima.
- Concessions are within the Pacococha district and accessed along the well maintained Central Highway to the town of San Mateo, 100 kilometres east of Lima, with the remaining distance to the concessions being by gravel and dirt roads, and trails.
- Numerous historical reports, maps, plans and sections prepared by former geologists and consultants of the Pacococha Mine and Milpo are available.
- These reports were not prepared in accordance with the requirements of NI 43-101.
- Concessions form two separate groupings. The larger and relatively untouched contiguous group of claims, the **Rosicler-EI Domo** property, includes an over three kilometres long, largely exposed mineralized quartz vein system and the related alteration zone named Rosicler, as well as associated, strongly altered volcanic dome (EI Domo). The second group of concessions, referred to as the **Pacococha-Germania** claims, includes several vein systems. Most veins have been previously mined, but none were drilled, and their potential at depth, below the lowermost drift and/or bottom of the nearest valley, is unknown. All veins show a strong mineral zoning, with different segments of the veins being richer in different minerals.
- Rebuilding and upgrading of the existing Pacococha access road has been completed.
- Concluded geological mapping, surface sampling and 3D on Germania property.

5a) Rosicler-EI Domo Property

- Located 2.5-3.0 kilometres NW of Pacococha Lake, the Rosicler vein trends NE, is exposed on elevations between 4550 and 4800 metres, and has been only scarcely worked by artisanal miners.
- Vein is epithermal and consists of two different mineralized sections; the SW-central section contains silver-bearing, polymetallic mineralization; the NE section is dominated by silver mineralization and anomalous gold values (Velarde, 1997; Arellano, 2005).
- There are two additional and little known mineralized vein systems present on this property, Virgen del Buen Paso and Midas, both of which are parallel to the Rosicler vein.
- In the Rosicler vein, milky and grey quartz contains disseminated mineralization represented mainly by chalcopyrite, galena, bornite, sphalerite, and pyrite (Velarde, 1997; Miranda, 2005). Mineralization is also present as stringers in the wall-rock.
- In total, the reserves within the Rosicler vein are estimated to be minimum 215,000 tonnes (Arellano, 2005). The grades throughout the vein are not well determined, but the exposure created by "informal" mining in the southern segment of the vein yielded 5.3 Oz Ag/t, 2.57 % Cu, 2.5 % Pb, and 2.15 % Zn (Arellano, 2005).

5b) Pacococha-Germania Claims

The Pacococha-Germania claims encompass main sections of numerous veins, which form two sets: one southern, in the Germania area, and another, northern, in the Pacococha area.

Germania Area

- The Company has obtained four known vein systems; two of them, Sin Complemento and Belgica V, were scarcely mined in the past, whereas the other two, Germania and Peru, were previously mined to a certain extent.
- Mineralization in these veins is characterized by presence of galena, sphalerite, tetrahedrite, and lesser chalcopyrite, pyrite, pyrrhotite, arsenopyrite, and rhodochrosite.
- Estimated potential of the 1500 metres long Sin Complemento vein and the ~500 metres

HIGH RIDGE RESOURCES INC.

Management Discussion and Analysis

For the six month period ended June 30, 2008

long Belgica V vein is approximately 290,000 tonnes with average grades of 4.29 Oz Ag/Tc, 2.57 % Pb, 4.17 % Zn, 1.69 % Cu (Cayo and Davalos, 2001).

Pacococha Area

- The Company has acquired the main sections of the following veins: Santiago Menor and Santiago Major, BJ 19, Purisima, Diez de Mayo, and Cuatro de Julio. The Company has also secured claims surrounding the northeastern segment of the Carolina vein, the central Victoria vein, and the central-northeastern segment of the San David vein system.
- Many of these veins form the core of the Pacococha Mine, owned by Sindicato Minero Pacococha S.A., and have been mined in the past to varying degrees (Cayo, 1993). However, the available Pacococha mine data indicates that they contain approximately 480,000 tonnes of polymetallic ore with 1.43 - 6.51 Oz Ag/Tc, 0.1 - 7.03 % Pb, 0.49 - 11.88 % Zn, and 0.84 - 3.69 % Cu (Cayo, 1993).

The foregoing grades and tonnage information for Peru properties are historical estimates that were not prepared in accordance with the requirements of NI 43-101. The Company has not yet done sufficient work to classify the historical estimates as current mineral resources or mineral reserves, and the Company is not treating the historical estimates as current mineral resources or mineral reserves. Accordingly, readers should use caution when considering this information and should not rely upon the accuracy of such information.

6) Other Peru properties

In addition to the San Mateo area concessions, High Ridge has staked 1,600 hectares of highly prospective ground located approximately 70 kilometers east of Lima and south of Surco. This ground covers a strong colour and chemical anomaly within rocks of the Rimac Group, which also hosts the Chanape, Pacococha, and Germania prospects.

Results of Operations

For the six months ended June 30, 2008, the Company incurred a loss of \$947,098 (2007 – loss of \$649,620). The increase in loss is the result of building the scale of operations to effectively manage property acquisition and exploration activities in Canada and Peru. Included in these costs were Administrative Expenses that included:

- Consulting expenses were \$100,462 (2007 - \$93,989).
- Office & sundry \$49,389 (2007 - \$54,689),
- Professional fees \$123,819 (2007 - \$38,008),
- Shareholder information \$67,146 (2007 - \$28,885),
- Salaries \$181,894 (2007 - Nil),
- Investor relations \$78,023 (2007 – \$27,676), and
- Foreign exchange gain \$30,636 (2007 – Loss \$121,258).
- Stock based compensation \$121,986 (2007 - \$175,028).

Additional major costs incurred included:

- \$441,851 (2007 - \$130,183) was incurred on property acquisitions and a total of \$1,125,782 (2007 - \$65,885) was incurred on exploration.
- The Company incurred non-cash acquisition costs of \$181,000 on the issuance of 530,000 common shares for property option payments.

Selected Annual Comparative Information

The following selected financial information was obtained from the audited consolidated annual

HIGH RIDGE RESOURCES INC.

Management Discussion and Analysis
For the six month period ended June 30, 2008

financial statements of the Company since its incorporation. The effect of applying the treasury stock method to the Company's loss per share calculation is anti-dilutive. Therefore, basic and diluted losses per share are equal for the years presented.

For the year ended December 31	2007	2006	2005
a) Total Revenues	Nil	Nil	Nil
b) (Loss) before discontinued operations and extraordinary items	\$(1,464,748)	\$ (668,576)	\$ (252,232)
c) Basic and diluted loss per share	\$ (0.09)	\$ (0.06)	\$ (0.05)
d) Net (loss) for the year	\$(1,464,748)	\$ (668,576)	\$ (252,232)
e) Basic and diluted loss per share	\$ (0.09)	\$ (0.06)	\$ (0.05)
f) Total assets	\$ 2,807,044	\$1,600,796	\$ 516,162
g) Total long-term financial liabilities	Nil	Nil	Nil
h) Cash dividends per share for each class of share	Nil	Nil	Nil

Losses to 2005 reflect the Company's initial start-up costs. Exploration activity increased in 2006 and 2007 with a commensurate increase in administrative expenses.

The increase of total assets year over year reflects primarily the capitalization of the exploration program costs and property acquisition costs.

The Company is a junior mineral exploration company and has no ongoing mining operations of any kind. There have been no revenues from operations to the date of this report. In order to sustain the exploration programs, the Company raises capital primarily through the sale of its common shares.

During the year ended December 31, 2007, administrative expenses increased by \$762,915 due to increased activity by the Company. Specific highlights include:

- Increase in office and sundry of \$74,656 due primarily to expansion of Peru operations.
- Increase in professional fees of \$268,228 due to litigation, corporate activity and increased audit and accounting costs as the Company continues to grow.
- Increase in rent of \$32,080 as the Company leased more office space.
- Increase in salary and benefits of \$163,867 as the Company hired staff, some previously acting as consultants for the Company.
- Increase in shareholder information of \$58,608 due to increased marketing and promotions.
- Increase in stock-based compensation as a result of an increase in options granted during the year.

HIGH RIDGE RESOURCES INC.

Management Discussion and Analysis
For the six month period ended June 30, 2008

Summary of Quarterly Results

The following information is derived from the unaudited interim financial statements of the Company that were prepared by management in accordance with Canadian GAAP.

For the quarter ended	Jun 08 \$	Mar 08 \$	Dec 07 \$	Sep 07 \$	Jun 07 \$	Mar 07 \$	Dec 06 \$	Sep 06 \$
Net Loss	472,054	475,044	694,623	120,505	473,356	176,264	265,700	104,029
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss per share (basic and fully diluted)	0.02	0.02	0.04	0.01	0.03	0.01	0.03	0.01

The Company has no revenues to date and losses are caused by the commencement and continuation of the exploration programs. Summary notes for the results from historical quarters can be found in previous Management Analysis and Discussion filings.

In the first quarter of 2008, the Company's more significant expenses were professional fees of \$65,132 due to on-going legal fees related to lawsuits and property disputes, as well as, legal fees for the financings and accounting charges for year-end financial statement preparation. Investor relations and shareholder information costs of \$48,726 and \$43,320, respectively, were incurred for marketing and shareholder awareness programs. The acquisition of the Peruvian properties and their continuing exploration programs, are not only reflected in the exploration and acquisition costs, they are also reflected in the day-to-day operation costs, such as: Office and sundry \$74,331, salaries \$42,227, insurance \$4,906, telephone \$7,911, rent \$12,242, and consulting and management fees \$69,724. The Company incurred a foreign exchange loss of \$42,319 during quarter due to the Canadian dollar weakening against the US dollar, where exploration monies are spent.

In the second quarter of 2008, notable expenses were consulting and management \$30,738, investor relations \$29,297, professional fees \$58,687, property investigation \$55,813, rent \$33,795, salaries \$139,667, shareholder information \$23,826 and travel \$57,151. As operations continue to ramp-up in Peru, administrative support costs continue to increase. The second quarter loss included a non-cash expense for stock-based compensation of \$110,000 for stock options granted. Professional fees were higher than normal due to lawsuits and property disputes, plus legal fees relating to financing arrangements. Investor relations and shareholder information expenses are paid to keep current shareholders informed about the Company and to attract new investment. The Company had a \$28,816 gain in office expenses for the second quarter due to a reclassification of costs, as well as a foreign exchange gain of \$72,955 due to the strong Canadian dollar.

HIGH RIDGE RESOURCES INC.

Management Discussion and Analysis
For the six month period ended June 30, 2008

Related Party Transactions

During the six month period ended June 30, 2008, the Company entered into transactions with related parties as follows:

- a) paid or accrued consulting fees of \$33,000 (2007 - \$61,000) to directors and companies controlled by directors.
- b) paid salaries of \$30,000 (2007 – nil) to a director.
- c) paid geological consulting fees of \$60,000 (2007 - \$60,000) to a director.

As at June 30, 2008, there were no amounts due to related parties of the Company.

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.

Outstanding Share Data

The Company has authorized an unlimited number of common shares, without par value. Refer to Note 7 of the financial statements. As June 30, 2008, the Company had 27,893,170 common shares issued, 2,350,000 share purchase options were outstanding, and 8,378,710 share purchase warrants outstanding. There are no other classes of shares authorized, issued or outstanding.

As of the date of this report the Company had 27,993,170 common shares issued, 8,378,710 share purchase warrants and 2,350,000 stock purchase options outstanding at various exercise prices and future dates. If all of these options and warrants were exercised, a total of 38,721,880 common shares would be issued and outstanding.

Liquidity And Capital Resources

The Company does not have operations that generate cash flow. At June 30, 2008, the Company had \$273,445 in cash and net working capital of \$124,091. The Company's activities to date have been funded primarily by the issuance of the Company's securities.

Off-Balance Sheet Arrangements

As at June 30, 2008, and up to the effective date of this report, the Company had no off balance sheet arrangements.

Changes in Accounting Policies including Initial Adoption

Effective January 1, 2007, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants ("CICA") under CICA Handbook Section 1530 "Comprehensive Income" ("Section 1530"), Section 3251 "Equity", Section 3855 "Financial Instruments – Recognition and Measurement" ("Section 3855"), Section 3861 "Financial Instruments – Disclosure and Presentation" and Section 3865 "Hedges". These new sections, which apply to fiscal years beginning on or after October 1, 2006 and are further described in

HIGH RIDGE RESOURCES INC.

Management Discussion and Analysis
For the six month period ended June 30, 2008

the notes to the financial statements, provide requirements for the recognition and measurement of

financial instruments and on the use of hedge accounting.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, receivables, advances on mineral properties and accounts payable and accrued liabilities. The carrying values of the financial instruments approximate their fair values, due to the relatively short period to maturity of these instruments. The Company is not subject to significant interest rate risk arising from these instruments.

Subsequent Events

- a) The Company completed a private placement for gross proceeds of \$892,225 thru the issuance of 3,568,900 units at a price of \$0.25 per unit. Each unit will consist of one common share and one common share purchase warrant. Each warrant will entitle the holder to purchase one additional common share of the Company for a period of 24-month from the date of issue of the warrant at the following exercise prices: (i) \$0.40 cents per share until the close of business on the day which is eight months after closing; (ii) thereafter at \$0.50 cents per share until the close of business on the day which is 16 months after closing; and (iii) thereafter at \$0.60 per share until the close of business on the day which is 24 months after closing.
- b) The Company issued 100,000 common shares for property payments.