GALANTAS GOLD CORPORATION

(A Development Stage Company)

Consolidated Financial Statements

(Unaudited)

For the Three and Six Months Ended June 30, 2007

Responsibility for Consolidated Financial Statements

The accompanying unaudited interim consolidated financial statements for Galantas Gold Corporation have been prepared by management in accordance with Canadian generally accepted accounting principles consistently applied. The most significant of these accounting principles have been set out in the audited December 31, 2006 consolidated financial statements. Only changes in accounting information have been disclosed in these unaudited interim consolidated financial statements. These unaudited interim consolidated financial statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of these unaudited interim consolidated financial statements, management is satisfied that these unaudited interim consolidated financial statements have been fairly presented.

The independent auditor of Galantas Gold Corporation has not performed a review of the unaudited interim consolidated financial statements for the three and six months ended June 30, 2007 and June 30, 2006.

GALANTAS GOLD CORPORATION
(A Development Stage Company)

CONSOLIDATED BALANCE SHEETS

(Unaudited)	June 30, 2007	December 31, 2006
Assets		
Current		
Cash	**$ 54,152**	$ 234,909
Accounts receivable and advances	**476,439**	397,953
Inventory	**112,847**	100,839
Future income taxes	**213,366**	213,366
	856,804	947,067
Property, plant and equipment (Note 4)	**6,426,727**	6,110,357
Deferred development and exploration costs (Note 5)	**9,699,058**	7,542,920
Future income taxes	**958,934**	958,934
	$ 17,941,523	$ 15,559,278
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 8)	**$ 1,174,965**	$ 1,499,678
Current portion of financing facility (Note 6)	**554,791**	253,529
	1,729,756	1,753,207
Long-term portion of financing facility (Note 6)	**872,311**	379,773
	2,602,067	2,132,980
Shareholders' Equity		
Share capital (Note 7(a))	**24,243,290**	22,458,500
Warrants (Note 7(b))	**2,637,008**	1,913,100
Contributed surplus	**560,080**	848,985
	27,440,378	25,220,585
Deficit	**(12,100,922)**	(11,794,287)
	15,339,456	13,426,298
	$ 17,941,523	$ 15,559,278

Going concern (Note 1)
Subsequent events (Note 11)

See accompanying notes to unaudited consolidated financial statements

GALANTAS GOLD CORPORATION
(A Development Stage Company)

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Unaudited)	Three Months Ended June 30, 2007	Three Months Ended June 30, 2006	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006	Cumulative from January 1, 2003
Sales	**$ 1,212**	$ 11,047	**$ 2,567**	$ 14,892	$ 497,045
Cost of goods sold	**614**	4,277	**1,292**	5,900	531,788
	598	6,770	**1,275**	8,992	(34,743)
Interest income	**137**	-	**189**	-	15,883
	735	6,770	**1,464**	8,992	(18,860)
Expenses					
Accounting and corporate	**7,803**	10,575	**13,314**	22,855	120,445
Bank charges and interest	**2,022**	1,563	**4,566**	3,334	37,124
Consulting fees	**-**	14,007	**5,489**	14,007	62,489
Foreign exchange (gain) loss	**(57,669)**	13,036	**(54,545)**	22,191	(102,117)
Legal and audit	**14,172**	123,176	**50,048**	180,434	471,659
Management fees	**-**	-	**-**	-	247,500
Operating expenses	**30,387**	26,407	**60,649**	51,049	1,365,064
Shareholder communication and public relations	**65,633**	172,261	**126,545**	448,073	949,582
Stock-based compensation (Note 7(c))	**48,355**	51,666	**61,095**	163,666	776,022
Transfer agent	**10,071**	11,419	**16,195**	16,954	81,705
General office	**15,079**	(6,325)	**24,743**	31,348	240,078
	135,853	417,785	**308,099**	953,911	4,249,551
Loss before income taxes	**(135,118)**	(411,015)	**(306,635)**	(944,919)	(4,268,411)
Future income tax recovery	**-**	(9,200)	**-**	-	1,065,300
Net loss and comprehensive loss	**$ (135,118)**	$ (420,215)	**$ (306,635)**	$ (944,919)	$ (3,203,111)
Basic and diluted loss per share	**$ (0.00)**	$ (0.00)	**$ (0.00)**	$ (0.01)	
Weighted average number of shares outstanding	**167,535,855**	143,177,902	**164,653,389**	135,744,586	

See accompanying notes to unaudited consolidated financial statements

GALANTAS GOLD CORPORATION
(A Development Stage Company)

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited)	Three Months Ended June 30, 2007	Three Months Ended June 30, 2006	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006	Cumulative from January 1, 2003
Share Capital					
Balance, beginning of period	**$ 24,246,927**	$ 19,328,773	**$ 22,458,500**	$ 18,400,862	$ 13,082,493
Issued under private placements, net of issue costs	**(3,637)**	-	**1,618,698**	-	9,484,753
Warrants issued	**-**	-	**(723,908)**	-	(2,962,382)
Common shares issued for debt settlement	**-**	-	**-**	-	741,640
Stock options exercised	**-**	-	**540,000**	-	540,000
Stock options exercised - valuation	**-**	-	**350,000**	-	350,000
Warrants exercised	**-**	1,757,583	**-**	2,627,500	2,814,050
Warrants exercised - valuation	**-**	117,172	**-**	175,166	192,736
Balance, end of period	**$ 24,243,290**	$ 21,203,528	**$ 24,243,290**	$ 21,203,528	$ 24,243,290
Warrants					
Balance, beginning of period	**$ 2,637,008**	$ 117,172	**$ 1,913,100**	$ 175,166	$ -
Issued	**-**	-	**723,908**	-	2,962,382
Exercised	**-**	(117,172)	**-**	(175,166)	(192,736)
Expired	**-**	-	**-**	-	(132,638)
Balance, end of period	**$ 2,637,008**	$ -	**$ 2,637,008**	$ -	$ 2,637,008
Contributed Surplus					
Balance, beginning of period	**$ 511,725**	$ 768,658	**$ 848,985**	$ 656,658	$ 1,420
Stock options granted	**48,355**	51,666	**61,095**	163,666	776,022
Stock options exercised	**-**	-	**(350,000)**	-	(350,000)
Warrants expired	**-**	-	**-**	-	132,638
Balance, end of period	**$ 560,080**	$ 820,324	**$ 560,080**	$ 820,324	$ 560,080
Deficit					
Balance, beginning of period	**$ (11,965,804)**	$ (11,323,741)	**$ (11,794,287)**	$ (10,799,037)	$ (8,897,811)
Net loss	**(135,118)**	(420,215)	**(306,635)**	(944,919)	(3,203,111)
Balance, end of period	**$ (12,100,922)**	$ (11,743,956)	**$ (12,100,922)**	$ (11,743,956)	$ (12,100,922)

GALANTAS GOLD CORPORATION

See accompanying notes to unaudited consolidated financial statements

GALANTAS GOLD CORPORATION
(A Development Stage Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)	Three Months Ended June 30, 2007	Three Months Ended June 30, 2006	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006	Cumulative from January 1, 2003
CASH PROVIDED BY (USED IN)					
OPERATING ACTIVITIES					
Net loss	**$ (135,118)**	$ (420,215)	**$ (306,635)**	$ (944,919)	$ (3,203,111)
Adjustments for non-cash items:					
Amortization	**742**	1,599	**1,484**	3,017	168,682
Stock-based compensation (Note 7(c))	**48,355**	51,666	**61,095**	163,666	776,022
Future income tax recovery	**-**	9,200	**-**	-	(1,065,300)
Foreign exchange (gain) loss	**(2,259)**	-	**458**	-	(106,542)
Net change in non-cash working capital (Note 9)	**193,805**	(143,605)	**(415,206)**	142,396	535,453
	105,525	(501,355)	**(658,804)**	(635,840)	(2,894,796)
INVESTING ACTIVITIES					
Purchase of property, plant and equipment	**(444,521)**	(1,133,957)	**(724,810)**	(1,664,350)	(5,470,465)
Deferred development and exploration costs	**(986,754)**	(731,563)	**(1,749,183)**	(1,166,901)	(5,649,637)
Marketable securities	**-**	-	**-**	-	2,096
	(1,431,275)	(1,865,520)	**(2,473,993)**	(2,831,251)	(11,118,006)
FINANCING ACTIVITIES					
Issue of common shares	**-**	1,757,583	**2,257,300**	2,627,500	13,521,353
Share issue costs	**(3,637)**	-	**(98,602)**	-	(790,930)
Advances from financing facility	**958,195**	-	**958,195**	365,400	1,878,595
Repayments of financing facility	**(99,081)**	(51,989)	**(164,395)**	(73,032)	(507,635)
Advances to directors	**-**	(104,303)	**-**	(253,103)	(127,140)
	855,477	1,601,291	**2,952,498**	2,666,765	13,974,243
NET CHANGE IN CASH	**(470,273)**	(765,584)	**(180,299)**	(800,326)	(38,559)
Effect of exchange rate changes on cash held in foreign currencies	**2,259**	**-**	**(458)**	**-**	(458)
CASH, BEGINNING OF PERIOD	**522,166**	1,087,243	**234,909**	1,121,985	93,169
CASH, END OF PERIOD	**$ 54,152**	$ 321,659	**$ 54,152**	$ 321,659	$ 54,152

Supplemental information (Note 9)

See accompanying notes to unaudited consolidated financial statements

1. GOING CONCERN

These financial statements have been prepared on a going concern basis which contemplates that Galantas Gold Corporation (the "Company") will be able to realize assets and discharge liabilities in the normal course of business. The recoverability of these consolidated amounts, which includes the consolidated results of the Company's wholly-owned subsidiary Cavanacaw Corporation (Cavanacaw), is dependent on the ability of the Company to obtain future financing and to recover its investment in Omagh Minerals Limited (Omagh). Cavanacaw has a 100% shareholding in Omagh which is engaged in the acquisition, exploration and development of gold properties, mainly in Omagh, Northern Ireland.

As at December 31, 2001, studies performed on Omagh's mineral property confirmed the existence of economically recoverable reserves. The mineral property is currently in the development stage of operation and the directors believe that the capitalized development expenditures will be fully recovered by the future operation of the mine. The recoverability of Omagh's capitalized development costs is thus dependent on the ability to secure financing, future profitable production or proceeds from the disposition of the mineral property.

Management is confident that it will be able to secure the required financing to enable the Company to continue as a going concern. However, this is subject to a number of factors including market conditions. These consolidated financial statements do not reflect adjustments to the carrying value of assets and liabilities, the reported expenses and balance sheet classifications used that would be necessary if the going concern assumption was not appropriate. Such adjustments could be material.

2. INCORPORATION AND NATURE OF OPERATIONS

The Company was formed on September 20, 1996 under the name Montemor Resources Inc. on the amalgamation of 1169479 Ontario Inc. and Consolidated Deer Creek Resources Limited. The name was changed to European Gold Resources Inc. by articles of amendment dated July 25, 1997. On May 5, 2004, the Company changed its name from European Gold Resources Inc. to Galantas Gold Corporation. The Company was incorporated to explore for and develop mineral resource properties, principally in Europe. In 1997, it purchased all of the shares of Omagh which owns a mineral property in Northern Ireland, including a delineated gold deposit. Omagh obtained full planning and environmental consents necessary to bring its property into production.

The Company entered into an agreement on April 17, 2000, approved by shareholders on June 26, 2000, whereby Cavanacaw, a private Ontario corporation, acquired Omagh. The Company is developing an open pit mine to extract the Company's gold deposit near Omagh, Northern Ireland. The Company also has developed a premium jewelry business founded on the gold produced under the name Galántas Irish Gold Limited (Galántas).

The Company's operations include the consolidated results of Cavanacaw and its wholly-owned subsidiaries Omagh and Galántas.

3. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

The unaudited consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial information. Accordingly, they do not include all of the information and notes to the consolidated financial statements required by Canadian generally accepted accounting principles for annual consolidated financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Operating results for the three and six month periods ended June 30, 2007 may not necessarily be indicative of the results that may be expected for the year ended December 31, 2007.

The consolidated balance sheet at December 31, 2006 has been derived from the audited consolidated financial statements at that date but does not include all of the information and footnotes required by Canadian generally accepted accounting principles for annual consolidated financial statements. The interim consolidated financial statements have been prepared by management in accordance with the accounting policies described in the Company's annual audited consolidated financial statements for the year ended December 31, 2006, except as noted below. For further information, refer to the audited consolidated financial statements and notes thereto for the year ended December 31, 2006.

Financial instruments, comprehensive income (loss) and hedges

In January 2005, the Canadian Institute of Chartered Accountants ("CICA") issued Handbook Sections 3855, “Financial Instruments – Recognition and Measurement”, 1530, “Comprehensive Income”, and 3865, “Hedges”. These new standards are effective for interim and annual financial statements relating to fiscal years commencing on or after October 1, 2006 on a prospective basis; accordingly, comparative amounts for prior periods have not been restated. The Company has adopted these new standards effective January 1, 2007.

(a) Financial instruments - recognition and measurement

Section 3855 prescribes when a financial instrument is to be recognized on the balance sheet and at what amount. It also specifies how financial instrument gains and losses are to be presented. This Section requires that:

- All financial assets be measured at fair value on initial recognition and certain financial assets to be measured at fair value subsequent to initial recognition;
- All financial liabilities be measured at fair value if they are classified as held for trading purposes. Other financial liabilities are measured at amortized cost using the effective interest method; and
- All derivative financial instruments be measured at fair value on the balance sheet, even when they are part of an effective hedging relationship.

(b) Comprehensive income (loss)

Section 1530 introduces a new requirement to temporarily present certain gains and losses from changes in fair value outside net income. It includes unrealized gains and losses, such as: changes in the currency translation adjustment relating to self-sustaining foreign operations; unrealized gains or losses on available-for-sale investments; and the effective portion of gains or losses on derivatives designated as cash flow hedges or hedges of the net investment in self-sustaining foreign operations.

3. BASIS OF PRESENTATION AND ACCOUNTING POLICIES (Continued)

Financial instruments, comprehensive income (loss) and hedges (Continued)

(c) Hedges

Section 3865 provides alternative treatments to Section 3855 for entities which choose to designate qualifying transactions as hedges for accounting purposes. It replaces and expands on Accounting Guideline 13 "Hedging Relationships", and the hedging guidance in Section 1650 "Foreign Currency Translation" by specifying how hedge accounting is applied and what disclosures are necessary when it is applied.

(d) Impact upon adoption of Sections 1530, 3855 and 3865

Under adoption of these new standards, the Company designated its cash as held-for-trading, which are measured at fair value. Accounts receivable and advances are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities and financing facility are classified as other financial liabilities, which are measured at amortized cost.

The adoption of these Handbook Sections had no impact on opening deficit.

Future accounting changes

Capital Disclosures and Financial Instruments – Disclosures and Presentation

On December 1, 2006, the CICA issued three new accounting standards: Handbook Section 1535, Capital Disclosures, Handbook Section 3862, Financial Instruments – Disclosures, and Handbook Section 3863, Financial Instruments – Presentation. These new standards are effective for interim and annual consolidated financial statements for the Company's reporting period beginning on January 1, 2008.

Section 1535 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.

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.

The Company is currently assessing the impact of these new accounting standards on its consolidated financial statements.

4. PROPERTY, PLANT AND EQUIPMENT

	June 30, 2007		
	Cost	Accumulated Amortization	Net
Freehold land and buildings	$ 3,000,940	$ 86,755	$ 2,914,185
Plant and machinery	4,460,481	1,005,801	3,454,680
Motor vehicles	61,438	35,741	25,697
Office equipment	77,303	45,138	32,165
Moulds	81,802	81,802	-
	$ 7,681,964	$ 1,255,237	$ 6,426,727

	December 31, 2006		
	Cost	Accumulated Amortization	Net
Freehold land and buildings	$ 2,962,629	$ 32,999	$ 2,929,630
Plant and machinery	3,773,982	657,702	3,116,280
Motor vehicles	61,438	31,851	29,587
Office equipment	77,303	42,443	34,860
Moulds	81,802	81,802	-
	$ 6,957,154	$ 846,797	$ 6,110,357

Freehold land and buildings includes an asset retirement obligation of $101,900.

5. DEFERRED DEVELOPMENT AND EXPLORATION COSTS

	Three Months Ended June 30, 2007	Three Months Ended June 30, 2006	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006
Opening balance	$ 8,502,535	$ 4,811,687	$ 7,542,920	$ 4,314,368
Additions during the period:				
Consultants	132,408	53,809	196,115	124,218
Leases	10,908	153,375	22,360	153,527
Fuel	120,357	53,147	199,437	80,441
Wages	373,174	174,385	685,839	364,530
Interest	11,640	12,883	22,515	19,889
Travelling	32,103	41,699	61,746	68,676
Repairs and maintenance	56,624	25,750	157,508	72,582
Construction	169,304	194,510	353,885	246,301
General	23,829	22,003	35,885	36,737
Amortization	209,770	75,785	406,956	137,764
Drilling	418,682	-	403,064	-
Laboratory	9,775	-	22,085	-
Other income	(372,051)	-	(411,257)	-
	1,196,523	807,346	2,156,138	1,304,665
Total deferred development and exploration costs	$ 9,699,058	$ 5,619,033	$ 9,699,058	$ 5,619,033

6. FINANCING FACILITY

(i) In June 2007, the Company obtained financing from Barclays Mercantile Business Finance Ltd. in the amount of $424,870 (199,160 GBP) for the purchase of mining equipment. The loan is for a period of four years at 4.03% with monthly principal and interest payments of $9,170 (4,101 GBP), except for the third payment, which is for the amount of $75,500 (33,764 GBP).

(ii) In June 2007, the Company obtained a loan facility from Allied Irish Bank plc in the amount of $533,325 (250,000 GBP). The term loan is for a period of three years at 7.25% with monthly principal and interest payments of $17,310 (7,743 GBP).

Borrowings are secured by a legal mortgage charge over the land and a letter of guarantee.

Amounts payable on the long term debt are as follows:

	Interest	June 30, 2007	December 31, 2006
Financing facility (238,700 GBP)	3.71 %	$ 242,518	$ 319,201
Financing facility (180,000 GBP)	3.97 %	232,753	314,101
Financing facility (199,160 GBP) (i)	4.03 %	418,506	-
Term loan facility (250,000 GBP) (ii)	7.25 %	533,325	-
		1,427,102	633,302
Less current portion		554,791	253,529
		$ 872,311	$ 379,773

Principal repayments over the next four years are as follows:

2008	$ 554,791
2009	494,010
2010	285,337
2011	92,964
	$ 1,427,102

7. SHARE CAPITAL

(a) Authorized and issued

Authorized
Unlimited number of common and preference shares issuable in Series

Issued common shares

	Number of Shares	Stated Value
Balance, December 31, 2006	157,851,855	$ 22,458,500
Issued under private placement (i)	5,284,000	1,717,300
Warrants issued (i)	-	(723,908)
Stock options exercised	4,400,000	540,000
Stock options exercised - valuation	-	350,000
Share issue costs (i)	-	(98,602)
Balance, June 30, 2007	167,535,855	$ 24,243,290

(i) On March 2, 2007, the Company closed a placement of 5,284,000 units for gross proceeds of $1,717,300. Each unit is priced at $0.325 and is comprised of one common share and one warrant. Each warrant entitles the holder to purchase one common share within 18 months from closing at a price of $0.45. An arrangement fee of 5% ($85,865) was paid to the broker.

Other costs associated directly with the placing amounted to $12,737.

The placing shares are subject to a 4 month hold period which has expired on July 3, 2007.

The fair value of the 5,284,000 warrants was estimated using the Black-Scholes option pricing model with the following assumptions: dividend yield - 0%; volatility - 115%; risk-free interest rate - 3.91% and an expected life of 1.5 years. The fair value attributed to the warrants was $723,908.

(b) Warrants

The following table shows the continuity of warrants for the period ended June 30, 2007:

	Number of Warrants	Weighted Average Price
Balance, December 31, 2006	15,300,000	$ 0.32
Issued (Note 7(a)(i))	5,284,000	0.45
Balance, June 30, 2007	20,584,000	$ 0.35

7. SHARE CAPITAL (Continued)

(b) Warrants (Continued)

As at June 30, 2007, the following warrants were outstanding:

Number of Warrants	Fair Value ($)	Exercise Price ($)	Expiry Date
14,000,000	1,735,000	0.32	July 26, 2008
1,300,000	178,100	0.25	July 26, 2008
5,284,000	723,908	0.45	September 2, 2008
20,584,000	2,637,008		

(c) Stock options

The following table shows the continuity of options for the six months ended June 30, 2007:

	Number of Options	Weighted Average Price
Balance, December 31, 2006	7,500,000	$ 0.14
Exercised	(4,400,000)	0.12
Granted (i)	500,000	0.23
Balance, June 30, 2007	3,600,000	$ 0.18

(i) On June 15, 2007, 500,000 stock options were granted to an employee of the Company to purchase common shares at a price of $0.23 per share until June 15, 2012. The options vest one-third upon grant, one-third on the first anniversary of grant and one-third on the second anniversary of grant. The fair value of the options was estimated using the Black-Scholes option pricing model with the following assumptions: dividend yield - 0%; volatility - 107%; risk-free interest rate - 4.63% and an expected life of 5 years. The fair value attributed to these options was $96,000 and will be expensed in the statements of loss and credited to contributed surplus as the options vest. Included in the stock-based compensation for the period is $36,000 related to the vested portion of these stock options.

(ii) Stock-based compensation expense includes $25,095 relating to stock options granted in previous years that vested during the six months ended June 30, 2007.

7. SHARE CAPITAL (Continued)

(c) Stock options (Continued)

As at June 30, 2007, the following stock options were outstanding:

Exercisable Options	Number of Options	Exercise Price ($)	Expiry Date
1,400,000	1,400,000	0.15	April 10, 2008
500,000	500,000	0.10	April 1, 2009
200,000	200,000	0.10	May 13, 2010
666,667	1,000,000	0.26	June 14, 2011
166,667	500,000	0.23	June 15, 2012
2,933,334	3,600,000		

8. RELATED PARTY TRANSACTIONS

The Company was charged $19,344 (June 30, 2006 - $24,926) for accounting and corporate secretarial services by companies associated to an officer of the Company. Accounts payable includes $17,938 (June 30, 2006 - $12,494) owing to these companies.

During the period, the Company paid or accrued to management in salary $134,160 (June 30, 2006 - $125,400). These amounts were capitalized to deferred development and exploration costs.

Director fees of $18,500 (June 30, 2006 - $7,000) were paid or accrued during the period.

Included in accounts payable and accrued liabilities is $34,490 (16,169 GBP) owing to a director of the Company.

Transactions with related parties were in the normal course of operations and were measured at the exchange amounts.

9. SUPPLEMENTAL CASH FLOW INFORMATION

(a) Net change in non-cash working capital

	Three Months Ended June 30, 2007	Three Months Ended June 30, 2006	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006
Accounts receivable and advances	$ (210,461)	$ (12,140)	$ (78,486)	$ (99,122)
Inventory	(13,296)	3,006	(12,008)	2,847
Accounts payable and accrued liabilities	417,562	(134,471)	(324,712)	238,671
	$ 193,805	$ (143,605)	$ (415,206)	$ 142,396

(b) Supplemental information

Interest paid	$ 11,640	$ 14,447	$ 22,515	$ 23,223

Interest paid includes $22,515 (June 30, 2006 - $19,889) of interest paid on the financing facility and charged to deferred development costs.

10. SEGMENT DISCLOSURE

The Company, after reviewing its reporting systems, has determined that it has one reportable segment. The Company's operations are substantially all related to its investment in Cavanacaw Corporation and its subsidiaries, Omagh and Galantas. Substantially all of the Company's revenues, costs and assets of the business that support these operations are derived or located in Northern Ireland.

11. SUBSEQUENT EVENTS

Subsequent to June 30, 2007, 500,000 stock options were exercised for total proceeds of $50,000 at an exercise price of $0.10 expiring April 1, 2009.

On August 17, the Company has announced, subject to TSX Venture approval and completion of final documentation, the placing of 7,640,000 units, each unit priced at UK£0.10 and is comprised of one common share and one half warrant. Each full warrant will entitle the holder to purchase one common share within 12 months from closing at a price of UK£0.15.