Interim Financial Statements

2008

Second Quarter

June 30, 2008

THREEGOLD Resources Inc.

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Management's Report

The Company's management is responsible for the preparation of the interim financial statements and for the financial information included in this interim report. Management maintains a system of internal control in order to produce reliable financial statements and to provide reasonable assurance that assets are safeguarded.

The interim financial statements are prepared in accordance with Canadian generally accepted accounting principles and necessarily include amounts based on estimates and judgments of management. For there preparation, the Company uses the same accounting policies and methods used in the preparation of the Company's most recent annual financial statements. All disclosures required for annual financial statements have not been included in these financial statements. These interim financial statements should be read in conjunction with the company's most recent annual financial statements.

The audit committee meets, with and without management being present, to review the financial statements and discuss issues affecting this quarterly report. On the recommendation of the audit committee, the Company's interim financial statements are approved by the Board of Directors.

(signed)
Daniel Duval
Chief Financial Officer

(signed)
Antoine Fournier
Chief Executive Officer

Val d'Or, Canada
August 29, 2008

THREEGOLD RESOURCES INC.

Statements of earnings and comprehensive loss
Three and six month periods ended June 30, 2008 and 2007

	Three month period ended June 30		Six month period ended June 30	
	2008	2007	2008	2007
	$	$	$	$
Revenues :				
Interest revenues	16,432	22,647	49,931	45,622
Administrative expenses :				
Office expenses	9,648	7,134	18,110	14,378
Expenses in connection with raising funds	18,516	11,657	40,419	23,364
Advertising, promotion and expenses account	18,444	20,096	24,364	26,337
Professional fees	13,986	25,537	24,307	42,343
Salaries and fringe benefits and continuing education	85,841	19,993	96,860	30,765
Operating costs	857	18,537	50,902	37,074
Registration and information to shareholders	20,640	41,658	44,757	61,143
Telecommunications	1,497	996	3,040	1,892
Depreciation of fixed assets	1,870	1,226	3,640	1,948
Bank charges	425	246	643	397
Research properties expenses	-	-	-	-
Mining duties	2,025	1,843	3,324	3,139
Stock-based compensation	27,195	23,668	71,296	47,076
Part XII.6 taxes	29,644	-	53,532	-
	230,588	172,591	435,194	289,856
Loss before other items and taxes	-214,156	-149,944	-385,263	-244,234
Other items :				
Gain on sale of mining properties	-	-	-	-
Gain (loss) on sale of fixed assets	-	-	-137	-505
	-	-	-137	-505
Loss before taxes	-214,156	-149,944	-385,400	-244,739
Future income and mining taxes	-	-	-	-
Net loss and comprehensive loss	-214,156	-149,944	-385,400	-244,739

See accompanying notes to interim financial statements.

THREEGOLD RESOURCES INC.

Statements of deferred exploration expenses
Three and six month periods ended June 30, 2008 and 2007

	Three month period ended June 30		Six month period ended June 30	
	2008	**2007**	**2008**	**2007**
	$	$	$	$
General exploration expenses	138,776	27,812	324,146	80,920
Drilling	26,129	24,983	545,417	24,983
Analysis	27,504	-	57,255	848
Geologies	30,858	118,700	79,820	136,160
Geophysical expenses	-	130,423	7,954	141,973
Geochemistry	90	-	3,282	709
Maps and reports	13,403	45,625	16,903	46,325
	236,760	347,543	1,034,777	431,918
Other items :				
Tax credit for mining exploration expenses	-	-	-	-
Write-off of deferred exploration expenses	-	-	-	-
	236,760	347,543	1,034,777	431,918
Beginning Balance	3,889,851	726,444	3,091,834	642,069
Ending Balance	4,126,611	1,073,987	4,126,611	1,073,987

See accompanying notes to interim financial statements.

THREEGOLD RESOURCES INC.

Statements of Deficit
Three and six month periods ended June 30, 2008 and 2007

	Three month period ended June 30		Six month period ended June 30	
	2008	2007	2008	2007
	$	$	$	$
Beginning Balance	-4,812,852	-2,521,569	-4,303,506	-2,388,757
Net gain (loss) or comprehensive loss	-214,156	-149,944	-385,400	-244,739
Share issuance expenses	-	-1,900	-53,729	-1,900
Future tax allowance	-89,328	-155,914	-373,701	-193,931
Ending Balance	-5,116,336	-2,829,327	-5,116,336	-2,829,327

See accompanying notes to interim financial statements.

THREEGOLD RESOURCES INC.

Balance Sheets
Periods ended June 30, 2008 and December 31, 2007

	June 30 2008	December 31 2007
	$	$
Assets		
Current assets :		
Cash	144,103	940,201
Cash reserved for exploration	1,618,832	2,653,609
Short-term investments	213,321	504,428
Accounts receivable (Note 2)	287,887	532,589
Prepaid expenses	6,197	24,313
	2,270,340	4,655,140
Fixed assets (Note 3)	60,719	44,620
Mining properties (Note 4)	418,259	394,984
Deferred exploration expenses (Note 5)	4,126,611	3,091,834
	6,875,929	8,186,578
Liabilities		
Current liabilities :		
Accounts payable and accrued liabilities (Note 6)	161,004	1,275,820
Future income and mining taxes	1,313,969	940,268
	1,474,973	2,216,088
Shareholders' equity:		
Share capital (Note 7)	9,274,711	9,111,111
Warrants (Note 7a)	72,762	80,362
Contributed surplus (Note 8)	1,169,819	1,082,523
Deficit	-5,116,336	-4,303,506
	5,400,956	5,970,490
	6,875,929	8,186,578

See accompanying notes to interim financial statements.

On behalf of the Board

(signed)
Daniel Duval
Director

(signed)
Antoine Fournier
Director

THREEGOLD RESOURCES INC.

Statements of cash flow
Three and six month periods ended June 30, 2008 and 2007

	Three month periods ended June 30		Six month periods ended June 30	
	2008	2007	2008	2007
	$	$	$	$
Operating activities :				
Net loss and comprehensive loss	-214,156	-149,944	-385,400	-244,739
Adjustments for :				
Stock-based compensation	27,195	23,668	71,296	47,076
Depreciation of fixed assets	1,870	1,226	3,640	1,948
Gain on sale of fixed assets	-	-	137	505
Variation in non-cash working capital items	-9,689	76,175	-852,135	21,266
	-194,780	-48,875	-1,162,462	-173,944
Financing activities :				
Share capital issued	-	280,000	150,000	280,000
Share issuance expenses	-	-1,900	-53,729	-1,900
	-	278,100	96,271	278,100
Investing activities :				
Gain on sale of short-term investments	-	-	-	-
Gain on sale of fixed assets	-	-	-	2,928
Variation of cash reserved for exploration	236,760	347,543	1,034,777	431,918
Variation of cash in trust	132,527	-144,494	291,107	-232,317
Acquisition of fixed assets	-18,163	-15,003	-23,352	-18,594
Acquisition of mining properties	-1,275	-3,246	-1,275	-13,843
Increase of deferred exploration expenses	-234,623	-347,543	-1,031,164	-431,918
	115,226	-162,743	270,093	-261,826
Increase (decrease) in cash and cash equivalents	-79,554	66,482	-796 098	-157,670
Cash and cash equivalents at the beginning	223,657	79,651	940 201	303,803
Cash and cash equivalents at the end	144,103	146,133	144 103	146,133

See accompanying notes to interim financial statements.

1. General

The interim financial statements (unaudited) are prepared in accordance with Canadian generally accepted accounting principles and necessarily include amounts based on estimates and judgments of management. For there preparation we use the same accounting policies and methods used in the preparation of the company's most recent annual financial statements. All disclosures required for annual financial statements have not been included in these financial statements. These interim financial statements should be read in conjunction with the Company's most recent annual financial statements and particularly Note 1 – Changes in accounting policies and Note 2 – Significant accounting policies.

The financial information as at June 30, 2008 and 2007 is unaudited; however, in the opinion of management, all adjustments necessary to present fairly the results of these periods have been included. The adjustments made were of a normal recurring nature.

The recoverability of amounts shown as mining properties and related deferred expenses is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof. The Company will need to obtain periodically new funds to pursue its operations and in spite of the obtaining of funds in the past, there is no guarantee for the future.

a) Change in accounting policies

On January 1, 2008, the Company prospectively adopted, without restatement of prior periods, the following sections of the ClCA Handbook.

1) General Standards of Financial Statement Presentation – Section 1400

In June 2007, the ClCA amended this section to include requirements to assess and disclose an entity's ability to continue as a going concern and to disclose any material uncertainties that may cast doubt upon its ability to continue as a going concern. The Company adequately presents information concerning such assessment.

This section establishes an entity's disclosure requirements regarding its objectives, policies and processes for managing capital, as well as quantitative data about what it regards as capital, and whether it has complied with capital requirements and, if not, the consequences of such non-compliance. The disclosure requirements are described in Note 7.

3) Goodwill and Intangible Assets – Section 3064

In January 2008, the ClCA issued a new section which reinforces an approach based on recognition principles and criteria to record costs as assets and to clarify the application of the concept of matching revenues and expenses in order to eliminate the practice of recognizing as assets items that do not meet the definition of an asset nor the criteria for asset recognition.

There is no impact on the financial statements of the Company.

THREEGOLD RESOURCES INC.

Notes to interim financial statements
Three and six month periods ended June 30, 2008 and 2007

1. General (cont'd)

4) *New Accounting Rules: Financial Instruments – Disclosures and Financial Instruments – Presentation (Sections 3862 and 3863)*

These sections expand on the disclosures currently required to enable users to evaluate the extent to which financial instruments affect an entity's financial position and performance, including the disclosures to be provided regarding fair value. The disclosure requirements are described in Note 10.

5) *Inventories-Section 3031*

This section provides guidance on determining costs as well as on other matters concerning the recognition, measurement, disclosure and presentation of inventories. The standard includes guidance on the treatment of excess capacity, measurement of inventories, depreciation and amortization, and supplementary items that must be considered in measuring the costs of inventories.

There is no impact on the financial statements of the Company.

2. Accounts receivable

	June 30 2008	December 31 2007
	$	$
Accounts receivable	247,780	247,780
Goods and services taxes	19,417	270,893
Tax credit for mining exploration expenses and mining duties	10,725	10,725
Accrued interest receivable	9,965	430
Other	-	2,761
	287,887	532,589

3. Fixed assets

	Cost	Disposition	Accumulated Depreciation	Net book value June 30, 2008	Net book value December 31, 2007
	$	$	$	$	$
Office furniture	5,044	-	1,276	3,768	2,870
Computer equipment	28,427	-	4,814	23,613	17,012
Leasehold improvements	6,568	-	2,570	3,998	4,790
Vehicles	36,473	-	7,133	29,340	19,948
	76,512	-	15,793	60,719	44,620

THREEGOLD RESOURCES INC.

Notes to interim financial statements
Three and six month periods ended June 30, 2008 and 2007

4. Mining properties

	Cost December 31, 2007	Acquisition	Disposition	Write-off	Cost June 30, 2008
	$	$	$	$	$
	1	1,275	-	-	1,276
Adanac	83,392	22,000	-	-	105,392
Gasse-Lemieux	66,000	-	-	-	66,000
Frotet-Robert	134,224	-	-	-	134,224
Vital	93,620	-	-	-	93,620
Mercier	15,997	-	-	-	15,997
Cascapédia	50	-	-	-	50
Gaspéite	1,700	-	-	-	1,700
Pas de Dames					
	394,984	23,275	-	-	418,259

5. Deferred exploration expenses

	Balance at December 31, 2007	Exploration expenses	Tax credit for mining exploration expenses	Write-off	Balance at June 30, 2008
	$	$	$	$	$
Baie-James	239,288	1,008	-	-	240,296
Mercier	331,218	755,289	-	-	1,086,507
Adanac	235,381	25,912	-	-	261,293
Gasse-Lemieux	955,904	-47,835	-	-	908,069
Frotet-Robert	149,486	3,667	-	-	153,153
Vital	830,983	234,041	-	-	1,065,024
Cascapédia	62,441	13,031	-	-	75,472
Abitibi Extension	124,882	-	-	-	124,882
Mont-de-l'Aigle	114,168	37,636	-	-	151,804
Hush Hush	20,993	180	-	-	21,173
Pas de Dames	27,090	-	-	-	27,090
Property Research	-	11,848	-	-	11,848
	3,091,834	1,034,777	-	-	4,126,611

6. Accounts payable and accrued liabilities

	June 30 2008	December 31 2007
	$	$
Accounts payable	38,217	1,244,041
Salaries and fringe benefits	52,755	6,779
Accrued liabilities	70,032	25,000
	161,004	1,275,820

7. Share capital

Capital disclosure:

The Company's objective in managing capital is to ensure sufficient liquidity to pursue its organic growth strategy and undertake selective acquisitions. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares and acquire or sell mining properties to improve its financial performance and flexibility.

The Company's capital is composed of shareholders' equity. The Company's primary uses of capital are to finance exploration expenditures and mining properties acquisitions. To effectively manage the Company's capital requirements, the Company has in place a rigorous planning and budgeting process to help determine the funds required to ensure the Company has appropriate liquidity to meet its operating and growth objectives.

The Company expects its ability to obtain additional financing will support further exploration and development of its mineral properties.

Authorized:

Unlimited number of voting and participating common shares, without par value.

7. Share capital (cont'd)

	June 30 2008		December 31 2007	
	Number of shares	**Amount**	**Number of shares**	**Amount**
		$		$
Common shares				
Beginning balance	29,388,511	9,111,111	18,506,058	3,843,838
Shares issued				
Private placements	300,000	150,000	8,212,392	4,121,575
Mining properties	-	-	300,000	103,000
Warrants	-	-8,400	28,571	12,857
Redemption of preferred shares serie A	-	-	1,363,253	586,199
Repayment of the advances from a shareholder	-	-	878,237	377,642
Shares to be issued				
Cash	-	-	-	-
Mining properties	100,000	22,000	100,000	66,000
Ending balance	29,788,511	9,274,711	29,388,511	9,111,111

a) Warrants

During the second quarter, the company wrote-off warrants expiring on June 6, 2008 (1,000,000 warrants at $0.40) and June 22, 2008 (622,143 at $0.45) which the fair value of $16,000 already accounted for was entered with a corresponding credit to contributed surplus.

A status of the warrants as at June 30, 2008 and December 31, 2007 and variations during the years then ended are summarized as follows:

	June 30, 2008		December 31, 2007	
	Outstanding warrants	**Weighted average exercise price**	**Outstanding warrants**	**Weighted average exercise price**
Outstanding, beginning of year	2,436,343	0.44	1,164,914	0.41
Granted	150,000	0.65	1,300,000	0.46
Exercised	-	-	-28,571	0.45
Expired	-1,622,143	0.31	-	-
Outstanding, end of year	964,200	0.49	2,436,343	0.44

7. Share capital (cont'd)

The fair value of the warrants issued during the period ended June 30, 2008 and December 2007 were estimated at $72,762 and at $80,362 respectively by comparing the issue price of the units to the quoted value of the share one month prior to the issuance.

The table below summarizes the outstanding warrant details as at June 30, 2008

Number of warrants	Exercise price	Expiration date
	$	
514,200	0.35	December 28, 2008
300,000	0.65	December 27, 2008
150,000	0.65	February 14, 2009
964,200	**0.49**	

b) Common share purchase options

The following table summarizes information about the stock options outstanding as at June 30, 2008:

Range of exercise price	Number of options	Weighted exercise price	Weighted remaining life
$		$	
0.29	860,000	0.29	4.2 years
0.35	500,000	0.35	3,2 years
	1,360,000	**0.31**	**3,7 years**

The following assumptions were used in the Black-Scholes calculations for determining the fair value of stock options granted to the directors and employees on August 17, 2007:

Stock price when granted	$0.26
Exercise price	$0.29
Expected life of options	5 years
Risk-free interest rate	4.337%
Annualized volatility	95.90%

The application of the fair value method for the three month period ended June 30, 2008 resulted in a $71 296 (2007 - $47 076) charge to stock-based compensation expense with a corresponding credit to contributed surplus.

7. Share capital (cont'd)

As at June 30, 2008 and December 31, 2007, the following options were outstanding and could be exercised as follows:

	June 30		December 31	
	2008		2007	
	Number of options	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
		$		$
Outstanding at beginning	1,360,000	0.31	500,000	0.35
Granted	-	-	860,000	0.29
Exercised	-	-	-	-
Expired	-	-	-	-
Cancelled	-	-	-	-
Outstanding at end	1,360,000	0.31	1,360,000	0.31
Options acquired	1,001,536	0.32	655,978	0.33
Options exercisable	786,666	0.33	333,333	0.35

8. Contributed surplus

	June 30	December 31
	2008	2007
	$	$
Beginning balance	1,082,523	989,641
Stock-based compensation (Note 7b)	71,296	135,876
Expired warrants	16,000	-
Premium related to the issuance of common shares for the reimbursement of the advances from a shareholder and the redemption of the serie A preferred shares	-	-42,994
Ending balance	1,169,819	1,082,523

9. Related party transactions

During the six month period, the Company incurred professional fees amounting to $28,985 ($9,181 in 2007) with a law firm, Heenan Blaikie S.E.N.C.R.L., SRL, of which one of the employees, Mr. Kosta Kostic, was also a Director of the Company for a period. Rental costs were also incurred with a shareholder, Dianor Resources Inc., for $6,300 ($4,200 in 2007) as well as administrative services for $68,218 ($49,050 in 2007). Furthermore, the Company made transactions with a company, Nievex Géoconseil Inc., which is controlled by the president of the Company, Mr. Antoine Fournier. The Company incurred $33,589 ($42,787 en 2007) for professional services in geology, representation and travelling expenses.

These transactions are in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed by the related parties.

10. Financial Instruments

The carrying amounts of financial instruments are presented in the consolidated balance sheet at fair value or amortized cost according to the Company's accounting policies. Short term financial assets and liabilities, which include short-term investments, accounts receivable, bank loans and accounts payable approximate fair values due to the immediate or short-term maturities of these financial instruments. In addition, the fair value of long term debt and obligations under capital lease approximate their carrying value.

Risk exposure and management

The Company is exposed to a certain amount of risks at different levels. The type of risk and the way the exposition is managed is described here after.

a) *Market risk*

I. *Interest rate risk*

The Company manages its portfolio of short-term investments based on its cash flow needs and with a view to optimizing its income.

The effective interest rate on the short-term investments during the period was 3.33% (2007, 3.8%). The average rate at the end of the period was 2.66% (2007, 3.9%) with investments maturing from between 30 to 56 days, cashable at anytime without penalties.

II. *Price risk*

The Company’s profitability is exposed to commercial risks, notably those linked to the stock price on the stock market. The Company does not have hedges covering this risk.

The profitability of the Company is highly linked to the stock price. If the stock price would be low for a prolonged period, it might be more difficult to meet financing objectives through private placements or others.

10. Financial Instruments (cont'd)

III. Liquidity risk

The liquidity risk is the risk that the Company has difficulties to honour its commitments when they come to maturity. The contractual commitments for liabilities as at June 30, 2008 are as follows:

	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
	$	$	$	$	$
Accounts payable and accrued liability	161,004	161,004	-	-	-
Obligations under option and/or acquisition agreements	-	-	-	-	-
Total	161,004	161,004	-	-	-

As at June 30, 2008 the Company had $144,103 in cash and $1,832,153 in short-term investment for a total of $1,976,256.

11. Commitments

Vital Property

On August 24, 2005, as amended on November 21, 2005, the Company has optioned the Vital property located on the Gaspe Peninsula. According to the terms of the option agreement, the Company will acquire a 100% interest in the Vital property by making cash payment of $50,000 (paid) at signing, issuing 300,000 common shares to the seller over a three year period (200,000 common shares issued for $84,000) and expending $300,000 in exploration expenditures on the property over a three year period ($1,065,024 achieved). A 250,000 common shares bonus will be granted at the pre-production stage and 500,000 common shares will be granted at production stage. The seller retains a net smelter return royalty of 2%, 1% of which may be bought back by the Company for $1,500,000. Upon payment of $50,000, the Company has acquired a 50% interest in the property.

Frotet-Robert Property

On June 30, 2006, the Company has optioned the Frotet-Robert property located on the Northeast of Chibougamau in Quebec. According to the terms of the option agreement, the Company will acquire a 100% interest in the Frotet-Robert property by making cash payment of $5,000 at signing, issuing 200,000 common shares to the seller over a two year period (200,000 common shares for $61,000) and expending $150,000 in exploration expenditures on the property over a two year period ($153,153 achieved). A 250,000 common shares bonus will be granted at production stage. The seller retains a net smelter return royalty of 2%, 1% of which may be bought back by the Company for $1,000,000.

11. Commitments (cont'd)

Gasse-Lemieux Property

On June 19, 2006, the Company has optioned the Gasse-Lemieux property located on the Gaspé Peninsula. According to the terms of the option agreement, the Company will acquire a 100% interest in the Gasse-Lemieux property by making cash payment of $20,000 at signing, issuing 300,000 common shares to the seller over a two year period (300,000 common shares issued for $85,000) and expending $100,000 in exploration expenditures on the property over a three year period ($908,069 achieved). A 500,000 common shares bonus will be granted at production stage. The seller retains a net smelter return royalty of 1% that may be bought back by the Company for $1,000,000.

Mont-de-l'Aigle Property

On January 10, 2007, the Company has signed an agreement with Ressources Appalaches for the acquisition of a 50% interest in the Mont-de-l'Aigle Property. The Company is required to incur $2,000,000 in exploration expenditures on the property over a five year period, from which a firm amount of $500,000 for the first two years ($120,720 achieved) and $500,000 for the subsequent years.

Mercier Property

On November 8, 2007, the Company has optioned the Mercier Property located approximately a hundred kilometres east Senneterre, Quebec. Under the terms of the option agreement, the company will acquire a 100% interest in the Mercier Property by making a cash payment of $25,000 (paid) and issuing 100,000 common shares (100,000 common shares for $66,000) at signing. The seller retains a net smelter return royalty of 2%, 1% of which may be bought back by the Company for $1,500,000. This amount might be paid cash, or by issuing common shares or a combination of both based on the agreement between the parties.

GENERAL INFORMATION

EXCHANGE LISTING

Exchange: TSX Venture Exchange
Symbol: THG

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Daniel Duval, CFO

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BOARD MEMBERS

Daniel Duval, Chairman of the Board
Antoine Fournier, P.Geo
Richard Tanguay
John Ryder, P.Geo
Octavio Soares, FCA
Kosta Kostic, Company Secretary

Ressources Threegold inc.