MONT BLANC RESOURCES INC.
INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED
OCTOBER 31, 2007

UNAUDITED – PREPARED BY MANAGEMENT

Responsibility for Financial Statements

The accompanying financial statements for Mont Blanc Resources Inc. have been prepared by management in accordance with Canadian generally accepted accounting principles. These financial statements, which are the responsibility of management, are unaudited and have not been reviewed by the Company's auditors. Management believes the financial statements are free of material misstatement and present fairly, in all material respects, the financial position of the Company as at October 31, 2007 and January 31, 2007 and the results of its operations and its cash flows for the periods then ended.

MONT BLANC RESOURCES INC.

INTERIM BALANCE SHEETS

AS AT OCTOBER 31 AND JANUARY 31, 2007

	October 31 (Unaudited)	**January 31** (Audited)
ASSETS		
CURRENT ASSETS		
Cash	$ 282,681	$ 82,463
Amounts receivable	10,424	13,960
Prepaids	2,300	4,019
	295,405	100,442
Restricted investment (Note 3)	11,735	11,532
Property and equipment (Note 4)	325,266	206,956
	$ 632,406	**$ 318,930**
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 1,882	$ 18,193
Due to related parties (Note 5)	282,427	264,705
	304,309	282,898
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	8,248,148	7,831,268
Contributed surplus (Note 9)	230,577	230,577
Deficit	(8,150,628)	(8,025,813)
	328,097	36,032
	$ 632,406	**$ 318,930**

Approved on behalf of the Board:

"Dennis Petke"	*"Jens Biertumpel"*
Dennis Petke, Director	Jens Biertumpel, Director

MONT BLANC RESOURCES INC.

INTERIM STATEMENTS OF OPERATIONS AND DEFICIT

FOR THE NINE MONTHS ENDED OCTOBER 31, 2007 AND 2006

	Three months ended October 31		Nine months ended October 31	
	2007	2006	2007	2006
REVENUE				
Gas revenue	$ 33,030	$ -	$ 114,949	$ -
Royalty expense	(8,332)	-	(28,078)	-
	24,698	-	86,871	-
EXPENSES				
Oil and Gas operating expenses	14,635	-	39,281	-
Amortization and depletion	9,768	270	24,483	716
Consulting fees	25,308	5,574	38,071	15,004
Office and administration	3,003	1,565	6,300	12,074
Professional fees	11,235	5,329	20,195	26,233
Rent	9,540	5,100	17,798	12,000
Transfer agent/listing expenses	4,265	3,560	12,526	21,151
Promotion/shareholder communication	481	4,620	2,295	9,177
Travel and meals	20,818	5,320	28,237	22,295
Management fees	7,500	7,500	22,500	22,500
Stock based compensation	-	-	-	10,672
	106,553	38,838	211,686	151,822
INCOME (LOSS) FOR THE PERIOD	(81,855)	(38,838)	(124,815)	(151,822)
DEFICIT, BEGINNING OF PERIOD	(8,068,773)	(6,707,784)	(8,025,813)	(6,594,800)
DEFICIT, END OF PERIOD	$(8,150,628)	$(6,746,622)	$(8,150,628)	$(6,746,622)
INCOME (LOSS) PER SHARE BASIC AND DILUTED	$(0.01)	$(0.00)	$(0.01)	$(0.01)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	15,233,340	12,529,985	13,849,680	12,041,049

MONT BLANC RESOURCES INC.

INTERIM STATEMENTS OF CASH FLOWS

FOR THE NINE MONTHS ENDED OCTOBER 31, 2007 AND 2006

	Three months ended October 31, 2007	Three months ended October 31, 2006	Nine months ended October 31, 2007	Nine months ended October 31, 2006
CASH FLOWS USED IN OPERATING ACTIVITIES				
Net income (loss) for the period	$ (81,855)	$ (38,838)	$ (124,815)	$ (151,822)
Adjustments to reconcile net loss to net cash used in operating activities:				
Accrued interest not received	(171)	-	(203)	-
Accrued interest expense	-	(25)	-	(183)
Stock based compensation	-	-	-	10,672
Amortization and depletion expense	9,768	270	24,483	716
Change in operating assets and liabilities:				
Accounts receivable	(3,822)	(2,313)	3,536	(5,240)
Prepaid expenses	(10,000)	-	1,719	(4,328)
Accounts payable	(1,857)	(27,302)	3,689	3,795
Due to related parties	(25,734)	25,983	17,722	21,915
	(103,671)	(42,225)	(73,869)	(124,475)
CASH FLOWS USED IN INVESTING ACTIVITIES				
Purchase of capital assets	-	-	-	(1,956)
Property expenditures	(77,577)	-	(142,793)	(1,173,661)
	(77,577)	-	(142,793)	(1,175,617)
CASH FLOWS USED IN FINANCING ACTIVITIES				
Capital stock issued net of subscriptions receivable	400,000	284,274	420,000	1,289,274
Share issue costs	(3,120)	(7,882)	(3,120)	(99,759)
Share subscriptions received in advance	-	(120,000)	-	-
Loans payable	-	(55,286)	-	-
	396,880	101,106	416,880	1,189,515
CHANGE IN CASH DURING THE PERIOD	215,632	58,881	200,218	(110,577)
CASH AT BEGINNING OF PERIOD	67,049	58,503	82,463	227,961
CASH AT END OF PERIOD	$ 282,681	$ 117,384	$ 282,681	$ 117,384

1. BASIS OF REPORTING AND CONTINUING OPERATIONS

   Mont Blanc Resources Inc. (the "Company") was incorporated on November 23, 1983 under the name Southern Star Resources Ltd. After undergoing several earlier name changes, the Company changed its name from Alda Industries Corporation to Crux Industries Inc. on July 14, 1999. The Company was deemed inactive by the TSX Venture Exchange on March 19, 1996 and traded on the NEX until April 6, 2006. After receiving approval from the Exchange the Company's listing was transferred from NEX to the TSX Venture Exchange effective April 7, 2006. At the September 13, 2005 AGM the Company received approval from the shareholders to change its name from Crux Industries Inc. to Mont Blanc Resources Inc. The Company is currently actively engaged in a Joint Venture with Magnum Energy Inc. exploring oil and gas opportunities in Southern Alberta and has entered into an option agreement to purchase three separate mineral claims in the state of Sonora, Mexico.

   The Company has incurred significant operating losses and its continued existence is dependent upon the continued support of its shareholders and its ability to obtain additional financing and generate profitable operations in the future.

   These financial statements have been prepared on the going concern basis of accounting which assumes that the Company will continue for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company has an accumulated deficit of $8,150,628 and has a working capital deficit of $8,904 as at October 31, 2007. A failure to continue as a going concern would require that stated amounts of assets and liabilities be reflected on a liquidation basis, which will differ from the going concern basis. Management is of the opinion that sufficient working capital will be obtained from external financing and from oil and gas production to meet the Company's liabilities and commitments as they become due. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

   a) Measurement Uncertainty

      The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. The Company uses estimates to calculate amortization, stock based compensation and to assess impairment of oil and gas properties.

      For oil and gas properties, the Company calculates depletion and assesses impairment using management estimates of oil and gas reserves remaining in properties, commodity prices and capital costs required to develop those reserves. By their nature, estimates of volumes and the related future cash flows are subject to measurement uncertainty, and the impact of differences between actual and estimated amounts on the financial statements of future periods could be material. Such reserve estimates, which have been estimated by independent engineering firms, are subject to change as additional information becomes available.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Oil and gas properties

The Company employs the full cost method of accounting for oil and gas properties whereby all costs relating to exploration and development of reserves are capitalized into geographical cost centres. Capitalized costs include lease acquisition costs, the costs of geological and geophysical activities, the costs of drilling both productive and non-productive wells, carrying charges for non-producing properties and overhead costs directly related to exploration and development activities.

Capitalized costs are depleted using the unit-of-production method based on estimated proven reserves, as determined by an independent engineer. For the purposes of the depletion calculation, proven reserves are converted to a common unit of measure on the basis of their approximate relative energy content.

In applying the full-cost method, the Company performs a ceiling test to ensure that capitalized costs, net of accumulated depletion, do not exceed the estimated future net revenues from production of proven reserves. The carrying values of the properties are compared annually to estimated future net cash flows from production or proven reserves expected to result from those properties. Future net cash flows are estimated using undiscounted values of future net revenues from proven reserves, based on current prices and costs, less estimated future site restoration costs, and other relevant assumptions.

When the ceiling test indicates an excess of carrying value, the Company measures the amount of impairment by comparing the carrying amounts of property to an amount equal to the estimated net present value of future cash flows from proved plus probable reserves and the sale of unproved properties. Any excess carrying value is recorded as a permanent impairment.

Proceeds on disposal of properties are normally recorded as reductions of the capitalized costs without recognition of a gain or loss, except where such a disposal would alter the depletion rate by 20% or more.

Costs of acquisition and evaluation of unproven properties are initially excluded from the depletion calculation. The Corporation periodically reviews costs associated with unproven properties to determine whether they are likely to be recovered. When such costs are not likely to be recovered, or when proved reserves are found to be attributable to the properties, the values of these properties are moved to the depletion pool.

When the Company evaluates its unproven properties it takes the following conditions into consideration:

- the existence of future plans for further drilling for the property;
- negative results obtained from studies;
- negative results obtained from studies conducted on properties in the same geographical area; and
- the adequacy of remaining terms to allow for further studies or drilling.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Mineral properties

The Company records its interests in mineral properties at the lower of cost or estimated recoverable value. Where specific exploration programs are planned and budgeted by management, mineral exploration costs are capitalized and carried at cost until the properties to which they relate are advanced to the development stage, placed into commercial production, sold, abandoned or determined by management to be impaired in value.

Costs incurred for acquisition, including where applicable, option payments under acquisition agreements, are capitalized, net of amounts recovered from joint venture partners, until such time as the related interest is placed into production, sold, abandoned or management has determined an impairment in value.

Management evaluates each mineral interest on a reporting period basis or as events and circumstances warrant, and makes a determination based on exploration activity and results, estimated future cash flows and availability of funding as to whether costs are capitalized, or charged as impairment charges.

Mineral property interests, where future cash flows are not reasonably determinable, are evaluated for impairment based on management's intentions and determination of the extent to which future exploration programs are warranted and likely to be funded.

Capitalized costs as reported on the balance sheet represent costs incurred to date or estimated recoverable value if lower than cost. Recovery of carrying value is dependent upon future commercial success or proceeds from disposition of the mineral interests.

Future site restoration costs

Estimated future removal and site restoration costs will be provided for on the unit-of-production method. Costs will be based on estimates in accordance with current legislation and industry practices. Actual removal and site restoration expenditures will be charged to the accumulated provision account as incurred.

d) Cash and short term investments

The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents. Short-term investments are recorded at the lower of cost or fair market value.

e) Office equipment

Office equipment is stated at cost less accumulated amortization over its estimated useful life using the declining balance method at 30%. One half of the rate is applied in the year of acquisition.

f) Asset retirement obligation

The Company recognizes and measures the liabilities for obligations associated with the retirement of petroleum and natural gas properties when those obligations result from the acquisition, construction, development or normal operation of the asset. The obligation is measured at fair value and the related costs recorded as part of the carrying value of the related asset. In subsequent periods, the liability is adjusted for the change in present value and any changes in the amount or timing of the underlying future cash flows required to settle the obligation. Actual costs to retire petroleum and natural gas properties are deducted from the accrued liability as these costs are incurred. As at January 31, 2007, the Company has not incurred any asset retirement obligation related to the development of its petroleum and natural gas properties.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Stock-based compensation

The Company follows CICA Handbook Section 3870, "stock-based compensation and other stock-based payments", which established standards for recognition, measurement and disclosure of stock-based compensation and other stock-based payments made in exchange for goods and services. The standard requires that a fair value based method of accounting be applied to all stock-based payments to non-employees and to employee awards that are direct awards of stock that call for settlement in cash or other assets or are stock appreciation rights that call for settlement through the issuance of equity instruments. This standard requires the fair value of the compensation cost attributable to the issuance of stock options granted to employees or directors to be measured at the grant date and expensed over the vesting period with a corresponding increase in contributed surplus. Consideration paid by employees on the exercise of stock options is recorded as share capital.

h) Income taxes

The Company recognizes income taxes using the asset and liability method of tax allocation. Future income tax assets and liabilities are determined based on temporary differences and are measured using the current, or substantively enacted, tax rates and laws expected to apply when these differences reverse. A valuation allowance is recorded against any future income tax asset if it is more likely than not that the asset will not be realized.

i) Flow-through shares

The Company follows EIC-146, for flow-through share transactions. Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the Company assigns the tax deductions arising from the related resource expenditures, to the shareholders. When resource expenditures are renounced to the investors and the Company has reasonable assurance that the expenditures will be completed, a future income tax liability is recognized for the net tax effect of the deductions renounced, and share capital is reduced.

If the Company has sufficient unrecognized tax losses carried forward or other unrecognized future income tax assets to offset all or part of this future income tax liability, a portion of such unrecognized future income tax assets is recorded as a future income tax recovery up to the amount of the future income tax liability that would otherwise be recognized.

j) Financial instruments

The fair values of cash, amounts receivable, restricted investment, accounts payable and amounts due to related parties approximate their fair values due to the short-term maturity of these financial instruments. In management's opinion, the Company is not exposed to significant interest rate, currency exchange rate or credit risk arising from these financial instruments.

k) Loss per share

Basic net loss per share is computed using the weighted average number of common shares outstanding during the periods. The treasury stock method is used for the calculation of diluted net earnings (loss) per share. Stock options and warrants are dilutive when the average market prices of the common shares during the period exceed the exercise price of the options and warrants.

l) Comparative figures
Certain comparative figures for 2006 have been reclassified to conform to the current period's presentation.

3. RESTRICTED INVESTMENT

The Company has pledged a GIC to provide collateral for the Company's credit card. The pledged GIC is classified as restricted investments because these funds are not available for the Company's daily operations.

4. PROPERTY AND EQUIPMENT

	Cost $	Accumulated Depletion and Amortization $	October 31, 2007 Net Book Value $	January 31, 2007 Net Book Value $
Proven developed oil and gas properties	253,090	21,149	231,941	192,885
Well equipment	18,249	2,524	15,725	10,924
Mining property expenditures	75,263	-	75,263	-
Computer hardware and software	4,309	1,972	2,337	3,147
	350,911	25,645	325,266	206,956

i) Oil and gas property

On January 11, 2006 the Company entered into a joint venture arrangement ("Magnum Arrangement") with Magnum Energy Inc. with respect to 50% of a Farm-out and Overriding Royalty Agreement ("the FORA") also dated January 11, 2006 to drill a minimum of 6 medium-risk exploration wells in Southern Alberta. The Magnum Arrangement is a related party transaction as Magnum and the Company have one director in common.

Magnum Energy Inc. ("Magnum") entered into the FORA with a private Alberta company ("Farmor"). The FORA calls for Magnum to pay 100% of the drilling costs to earn a 50% working interest in drill space units as detailed in the FORA. Before payout, Magnum will receive 100% of the production and will pay the Farmor a 15% gross overriding royalty. Following payout, the "Farmor" will have the option to convert its royalty to a 50% working interest.

Pursuant to the terms of the Magnum Arrangement, Mont Blanc has agreed to pay 55% of Magnum's drilling costs pursuant to the FORA where after Mont Blanc will earn 50% of Magnum's interest in the FORA properties. Following the effect of both, the FORA and Magnum Arrangement, the Company will pay 55% of the drilling costs to earn a 25% working interest in the properties.

Pursuant to the agreement the Company agreed to pay 55% of all costs, expenses, obligations, risks and liabilities necessarily incurred by Magnum until such time as certain wells were drilled to earn a 25% working interest in the properties. As at October 31, 2007 the Company owed Magnum $250,717 for its share of joint interest billings on the various wells less the Company's portion of net operations income from the producing wells. The Company accounts for its interest in the Magnum arrangement by directly recording the Company's share of assets, liabilities and expenses in these financial statements.

During the period, the Company incurred $67,531 to develop the property pursuant to these arrangements.

4. PROPERTY AND EQUIPMENT (continued)

During the year ended October 31, 2007, the Company performed a ceiling test on the oil and gas properties and determined that the value was impaired, and accordingly the properties were written down by $1,207,354 to the fair value of $203,809. The fair value of $203,809 includes the future estimated $375,000 cost for a pipeline, which the Company is committed to incur in the 2008 fiscal year. The fair value of the oil and gas properties is calculated using estimated future cash flows from the Company's interest in oil and gas reserves discounted at 10%.

ii) Mining properties

On September 17, 2007, the Company entered into an option agreement to purchase three separate mineral claims in the state of Sonora, Mexico. The Company has paid a sum of USD$50,000 to purchase a two-year option on the three separate mining claims. Under the agreement the Company will have the right to earn a 100% interest in the three properties, namely Los Pavitos, Christina and Brenda properties. All three properties are subject to a 2% NSR (Net Smelter Return).

In order to exercise the options relating to Los Pavitos Property and Christina Property, Mont Blanc must, for each property, complete cash payments of USD$50,000 and issue 1.5 million shares of the Company's common stock. To exercise the option on Brenda Property, the Company must issue 3.5 million shares of its common stock.

At October 31, 2007, the Company has incurred $21,902 in expenditures related to the mineral claim options.

5. DUE TO RELATED PARTIES

The following is a summary of amounts owing to directors and/or companies controlled by directors of the Company or companies with common directors which are all unsecured, non-interest bearing and due on demand.

	October 31 2007	January 31 2007
Due to a company controlled by a director	$ 11,483	$ 15,813
Due to a company controlled by a director	9,847	6,563
Due to a director of the company	10,380	7,500
Due to Magnum, a company with a common director (Note 4)	250,717	234,829
	$ 282,427	$ 264,705

6. COMMITMENTS

Effective August 1, 2006, the Company negotiated a replacement agreement with Q4 Financial Group Inc., a company controlled by a director, for monthly and quarterly, accounting, administration and filing services for fees totalling $2,000 per month plus GST. This agreement may be terminated by the Company or by Q4 Financial Group Inc. with three months' notice.

Effective August 1, 2005, the Company negotiated an agreement with Mont Blanc Capital Corp., a company controlled by a director, for monthly management services totalling $2,500 per month. This agreement may be terminated by the Company or by Mont Blanc Capital Corp. with 3 months' notice.

7. SHARE CAPITAL

Authorized share capital – 100,000,000 common shares without par value.

	Number of Shares	Amount
Issued:		
Balance, January 31, 2006	10,388,552	$ 6,611,003
Issued for cash (a)	2,040,000	1,020,000
Issued for cash (b)	717,831	323,024
Share issue costs	-	(99,759)
Share subscriptions receivable	-	(23,000)
Balance, January 31, 2007	13,146,383	7,831,268
Share subscriptions received	-	20,000
Issued for cash (c)	4,000,000	400,000
Share issue costs	-	(3,120)
Balance, October 31, 2007	17,146,383	$ 8,248,148

a) Issued for cash - The Company completed a three part private placement, which consisted of a total of 2,040,000 units at a price of $0.50 per unit. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one share at a price of $1.00 per Share for a period of two years. The shares and warrants issued pursuant to this offering have a four-month hold period.

b) Issued for cash - The Company completed a flow-through private placement on October 18, 2006 consisting of 717,831 Units at $0.45 per Unit for gross proceeds of $323,024. Each Unit consisted of one flow-through common share and one share purchase warrant. Each warrant entitles the holder to acquire one non-flow-through common share, at a price of $0.60 per share until April 17, 2007 and at a price of $1.00 per share from April 18, 2007 until April 17, 2008. The shares, and any shares issued on exercise of the warrants, are subject to a hold period until February 18, 2007.

c) On September 13, 2007 the Company issued 4,000,000 Units at $0.10 per Unit for gross proceeds of $400,000. Each Unit consists of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to acquire an additional common share, at a price of $0.20 per share until September 13, 2008. The shares, and any shares issued on exercise of the Warrants, are subject to a hold period until January 13, 2008.

7. SHARE CAPITAL (continued)

d) Warrants

The following share purchase warrants were outstanding at October 31, 2007:

Number of Warrants	Revised Exercise Price	Original Exercise Price	Expiry Dates
1,000,000	$0.60	$1.00	March 14, 2008 (*)
800,000	$0.60	$1.00	April 10, 2008 (*)
240,000	$0.50	$1.00	May 19, 2008 (*)
717,831	$0.50	$1.00	April 17, 2008 (*)
2,000,000	Not Applicable	$0.20	September 13, 2008
4,757,831			

(*) The Company received TSX Venture approval to re-price these warrants.

8. STOCK OPTIONS

The Company has a fixed stock-based compensation plan in effect which provides that up to ten percent of the number of shares outstanding may be reserved for stock option grants to eligible optionees. Stock options granted under the plan vest immediately. At October 31, 2007, this plan provided for the grant of stock options to purchase a maximum of 1,714,638 common shares of which 1,079,000 have been granted and 635,638 options are available for future grants.

The following table summarizes the continuity of the Company's stock options:

	Number of Shares	Weighted Average Exercise Price $
Balance, January 31, 2005	–	–
Granted during the year	1,029,000	0.20
Balance, January 31, 2006	1,029,000	0.20
Granted during the year	50,000	0.50
Balance, October 31, 2007 and January 31, 2007	1,079,000	0.21

9. CONTRIBUTED SURPLUS

	October 31 2007	January 31 2007
Balance, beginning of the period	$ 230,577	$ 216,250
Additions: stock-based compensation	-	14,327
Balance, end of period	$ 230,577	$ 230,577

10. RELATED PARTY TRANSACTIONS

During the nine months ended October 31, 2007, the Company incurred the following related party transactions:

a) The Company paid $22,500 (2006: $22,500) for management services to Mont Blanc Capital Corp.

b) The Company paid or accrued $25,000 (2006: $18,340) for accounting, consulting and administrative services to Q4 Financial Group Inc.

All the above transactions are considered in the normal course of operations and in management's opinion undertaken with the same terms and conditions as transactions with unrelated parties.