SONORA GOLD & SILVER CORP.

(formerly Mont Blanc Resources Inc.)

INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED OCTOBER 31, 2008

UNAUDITED – PREPARED BY MANAGEMENT

Responsibility for Financial Statements

The accompanying financial statements for Sonora Gold & Silver Corp. 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, 2008 and January 31, 2008 and the results of its operations and its cash flows for the periods then ended.

SONORA GOLD & SILVER CORP.
(formerly Mont Blanc Resources Inc.)
Interim Balance Sheets
As at October 31 and January 31, 2008

		October 31 (Unaudited)		January 31 (Audited)
ASSETS				
CURRENT ASSETS				
Cash	$	214,296	$	160,749
Subscriptions receivable		25,000		-
Accounts receivable		8,529		15,264
Prepaid expenses and deposits		3,619		6,770
		251,444		182,783
Restricted investment (Note 4)		11,566		11,566
Mineral property interests (Note 5)		617,067		594,728
Equipment, net of amortization of $2,592 (Jan. 31 $2,088)		970		1,474
	$	881,048	$	790,551
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	$	24,187	$	36,355
Due to related parties (Note 6)		7,500		20,995
		31,687		57,350
SHAREHOLDERS' EQUITY				
Share capital (Note 7)		8,929,417		8,604,432
Contributed surplus		219,577		219,577
Deficit		(8,299,634)		(8,090,808)
		849,360		733,201
	$	881,048	$	790,551

Commitments and contingency (Note 10)

Approved on behalf of the Board:

"Ken Churchill" *"David George"*

Ken Churchill, Director David George, Director

See notes to the interim financial statements

SONORA GOLD & SILVER CORP.
(formerly Mont Blanc Resources Inc.)
(Unaudited) Interim Statements of Operations and Comprehensive Gain (Loss)
For the nine months ended October 31, 2008 and 2007

	Three months ended October 31		**Nine months ended October 31**	
	2008	2007	2008	2007
REVENUE	$-	$-	$-	$-
EXPENSES				
Amortization expense	170	269	504	809
Consulting fees	3,900	25,571	25,231	38,071
Office and miscellaneous	27,359	2,720	35,680	6,301
Professional fees	27,210	11,234	38,686	20,195
Rent	2,640	9,540	10,699	17,798
Transfer agent and other listing fees	4,752	3,225	43,888	11,486
Promotion and shareholder	870	481	4,470	2,295
Travel and automobile	4,410	20,839	13,168	28,237
Management fees	15,500	7,500	36,500	22,500
	86,111	81,379	208,826	147,692
Income tax recovery	-	-	-	(110,216)
GAIN (LOSS) AND COMPREHENSIVE GAIN (LOSS) FOR THE PERIOD	(86,111)	(81,379)	(208,826)	(37,476)
DEFICIT, BEGINNING OF PERIOD	(8,213,523)	(7,981,910)	(8,090,808)	(8,025,813)
DEFICIT, END OF PERIOD	(8,299,634)	(8,063,289)	(8,299,634)	(8,063,289)
LOSS PER SHARE, BASIC AND DILUTED	(0.01)	(0.01)	(0.01)	(0.01)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	18,696,383	15,233,340	18,696,383	13,849,680

See notes to the interim financial statements

SONORA GOLD & SILVER CORP.
(formerly Mont Blanc Resources Inc.)
(Unaudited) Interim Statements of Cash Flows
For the nine months ended October 31, 2008 and 2007

	Three months ended October 31, 2008	Three months ended October 31, 2007	Nine months ended October 31, 2008	Nine months ended October 31, 2007
CASH FLOWS USED IN OPERATING ACTIVITIES				
Net income (loss) for the period	$ (86,111)	$ (81,379)	$ (208,826)	$ (37,376)
Adjustments to reconcile net loss to net cash used in operating activities:				
Amortization expense	170	269	504	809
Income tax recovery	-	-	-	(110,216)
Change in operating assets and liabilities:				
Accounts receivable	(2,237)	(3,822)	6,735	3,536
Prepaid expenses and deposits	5,481	-	3,151	1,719
Accounts payable and accrued liabilities	(17,524)	(28,631)	(12,168)	20,371
Due to related parties	-	-	(13,495)	-
	(100,221)	(113,563)	(224,099)	(121,157)
CASH FLOWS USED IN INVESTING ACTIVITIES				
Resource property interest expenditures	-	(67,583)	(22,339)	(95,272)
CASH FLOWS USED IN FINANCING ACTIVITIES				
Share subscriptions received in advance	296,381	378,367	299,985	416,647
CHANGE IN CASH DURING THE PERIOD	196,160	197,221	53,547	200,218
CASH AT BEGINNING OF PERIOD	18,136	85,460	160,749	82,463
CASH AT END OF PERIOD	$ 214,296	$ 282,681	$ 214,296	$ 282,681

See notes to the interim financial statements

1. BASIS OF PRESENTATION

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 $8,299,634 (January 31, 2008 - $8,090,808), and has a working capital of $194,757 (January 31, 2008 – working capital $125,433), as at October 31, 2008. 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.

These financial statements do not reflect adjustment that would be necessary if the going concern assumptions were not appropriate because management believes that actions taken or planned will mitigate the adverse conditions that raise doubts about the Company's viability.

These interim unaudited financial statements do not include all the disclosure required by Canadian generally accepted accounting principles for annual statements and should be read in conjunction with the audited financial statements for the year ended January 31, 2008 specifically the following Notes: Note 1 on Nature of Operations; Note 2 on Significant Accounting Policies; and Note 10 on Commitments and Contingency. They have been prepared using the same accounting policies and methods as those used in the January 31, 2008 financial statements.

2. CHANGES IN ACCOUNTING POLICIES

On February 1, 2008, the Company adopted the following provisions of the Canadian Institute of Chartered Accountants (CICA") Handbook Sections. There was no material impact on the Company's financial condition or operating results as a result of the adoption of these new standards:

(a) Section 3862 — Financial Instruments — Disclosures, which replaces Section 3861 and provides expanded disclosure requirements that provide additional detail by financial asset and liability categories (see Note 3).

(b) Section 3863 — Financial Instruments — Presentation, to enhance financial statement users' understanding of the significance of financial instruments to an entity's financial position, performance and cash flows (see Note 3).

(c) Section 1535—Capital Disclosures, which establishes standards for disclosing information about an entity's capital and how it is managed (see Note 11). Under this standard, the Company will be required to disclose the following, based on the information internally, to the Company's key management personnel:

- qualitative information about its objectives, policies and processes for managing capital;
- summary quantitative data about what it manages as capital;
- whether during the period it complied with any externally imposed capital requirement to which it is subject; and
- when the Company has not complied with such externally imposed capital requirements, the consequences of such non-compliance.

3. FINANCIAL INSTRUMENTS

a) Fair value

Financial instruments include cash, restricted investment, accounts payable and accrued liabilities, and due to related parties, which approximate their fair value. Restricted investment is designated as held-to-maturity; and accounts payable and accrued liabilities and due to related parties are classified as other financial liabilities.

Prior to the adoption of Section 3855, the Company disclosed the fair value of its financial instruments. In prior years, the carrying values of accounts payable and accrued liabilities, and due to related parties approximated their fair values because of the short-term maturity of these financial instruments.

b) Interest rate risk

The Company is not exposed to significant interest rate price risk due to the short-term maturity of its monetary current assets and current liabilities. To the extent that payments made on the Company's monetary liabilities are affected by changes in prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

c) Credit risk

The Company's financial assets that are exposed to credit risk consist primarily of cash and restricted investment. The Company's cash and restricted investment are held at Tier 1 Canadian financial institutions.

d) Currency risk

The Company translates US transactions into Canadian dollars using rates approximating the average exchange rate each quarter. The exchange rate may vary from time to time. The Company does not utilize derivatives or other techniques to manage foreign currency risk.

4. RESTRICTED INVESTMENT

The Company has pledged a GIC to provide collateral for the Company's credit cards. The GIC earns interest of prime minus 2.25% and has a maturity date of December 17, 2008. The pledged GIC is classified as a restricted investment as these funds are not available for the Company's daily operations.

5. MINERAL PROPERTY INTERESTS

On September 11, 2007, the Company entered into an option agreement to purchase three separate mineral claims in the state of Sonora, Mexico. The Company paid US $50,000 to purchase a two-year option on the three separate mining claims. Under the agreement, the Company has the right to earn a 100% interest in the three properties, named Los Pavitos, Brenda and Christina. In order to exercise the options relating to the Los Pavitos Property and the Christina Property, the Company must, for each property, complete payments of US $50,000 and issue 1,500,000 common shares of the Company. To exercise the option on the Brenda Property, the Company must issue 3,500,000 common shares but no cash payment is required. All three properties are subject to a 2% net smelter return. There are no expenditure commitments in connection with the options on the properties.

On November 27, 2007, the Company exercised its option to acquire 100% of the Los Pavitos mining claim in Sonora, Mexico, by making a cash payment of US $50,000 and by issuing 1,500,000 common shares at a price of $0.295 to the vendors.

Schedule of Expenditures

	Los Pavitos	**Brenda**	**Christina**	**Oct 31, 2008**	**January 31, 2008**
	$	**$**	**$**	**$**	**$**
Acquisition costs	516,275	19,501	19,501	555,277	553,677
Geological and assay	34,698	2,897	2,897	40,492	23,275
Travel and consulting	10,043	3,210	3,210	16,463	12,941
Other	2,417	1,209	1,209	4,835	4,835
	563,433	**26,817**	**26,817**	**617,067**	**594,728**

Title to Mineral Property Interests

Title to mineral property interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties. The Company has investigated title to all of its mineral property interests and, to the best of its knowledge, title to all of its properties for which titles have been issued are in good standing.

Although the Company has taken steps to verify the title to mineral property interests in which it has or has a right to acquire an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee title (whether of the Company or of any underlying vendor(s) from whom the Company may be acquiring its interest). Title to mineral property interests may be subject to unregistered prior agreements or transfers, and may also be affected by undetected defects or the rights of indigenous peoples.

Realization of Assets

The investment in and expenditures on mineral property interests comprise a significant portion of the Company’s assets. Realization of the Company’s investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal. Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

6. 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, 2008 $	January 31, 2008 $
Due to a company controlled by a director for management fees	7,500	10,615
Due to a company controlled by a director for consulting fees	-	10,380
	7,500	**20,995**

7. SHARE CAPITAL

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

	Number of shares	Amount $
Issued:		
Balance, January 31, 2007	**13,146,383**	**7,854,268**
Issued for cash (a)	4,000,000	400,000
Issued for cash (b)	50,000	21,000
Issued for property (c)	1,500,000	442,500
Renunciation of expenditures on flow through shares	-	(110,216)
Share issue costs	-	(3,120)
Balance at October 31, 2008	**18,696,383**	**8,604,432**

a) 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 of one 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.

b) On November 19, 2007 the Company issued 50,000 common shares at $0.20 per share upon the exercise of options by a director.

c) On January 10, 2008 the Company issued 1,500,000 common shares in connection with the exercise of an option to acquire 100% of the Los Pavitos mining claim (see Note 5). The common shares were issued at a price of $0.295 per share reflecting the market price on November 17, 2007 when the option was exercised.

d) During the three months ended April 30, 2008 2,757,831 share purchase warrants expired, resulting in a balance of 2,000,000 warrants outstanding at April 30, 2008 exercisable at a price of $0.20 per share until September 13, 2008.

8. STOCK OPTIONS

No options were granted or exercised during the nine months ended October 31, 2008.

The Company has a fixed stock-based compensation plan in effect, which provides that up to 10% 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 July 31 and January 31, 2008, this plan provided for the grant of stock options to purchase a maximum of 1,869,638 common shares of which 1,029,000 have been granted and unexercised and 840,638 options are available for future grants.

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

	Number of Shares	Weighted Average Exercise Price
Balance, January 31, 2008	1,029,000	$0.21
Balance, October 31, 2008 and January 31, 2008	**1,029,000**	**$0.21**

9. RELATED PARTY TRANSACTIONS

During the nine months ended October 31, 2008, the Company incurred the following related party transactions:

a) The Company paid or accrued $13,500 (Oct 31, 2007: $22,500)for management services to Mont Bloc Capital Corp., a company controlled by the former CEO of the Company.
b) The Company paid or accrued $9,500 (Oct 31, 2007: $25,000) for management and administrative services to Q4 Financial Group Inc., a company controlled by the former CFO of the Company.
c) The Company paid or accrued $23,000 (Oct 31, 2007: $Nil) for management services to a new director of the Company.
d) The Company paid or accrued $4,500 for accounting services to the new CFO of the Company (Oct 31, 2007: $Nil)
e) The Company paid or accrued $1,500 for consulting services to a Director of the Company (Oct 31,2007: $Nil)

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

10. COMMITMENTS AND CONTINGENCY

Effective February 1, 2008, the Company negotiated a Management Agreement with Q4 Financial, a company controlled by the CFO, to provide management and administrative services for a minimum of $2,400 per month. This agreement was terminated as of August 1, 2008.

Effective February 1, 2008, the Company entered into an Office Administration Agreement with Q4 Financial for the provision of general office administration/bookkeeping/accounting on a monthly basis for a minimum of $500 per month. This agreement was terminated as of August 1, 2008.

Effective February 1, 2008, the Company negotiated a Management Agreement with Mont Blanc Capital, a company controlled by the CEO, to provide services that include evaluating business opportunities, raising capital and performing due diligence on projects approved by the Company for a minimum of $1,500 per month. This agreement may be terminated by the Company or by Mont Blanc Capital with six months' notice.

Effective April 1, 2008, the Company entered into a one-year sub-lease agreement with Q4 Financial for office space at $1,300 per month, plus GST. This agreement was terminated as of August 1, 2008. The Company is currently paying a $1,000 plus GST per month on a month to month basis.

Effective August 1, 2008, the Company negotiated a Management Agreement with the new President and Director of the Company, to provide services for $3,000 per month. This agreement may be terminated by the Company or the Director with three month's notice.

Effective August 1, 2008, the Company negotiated a Consulting Agreement with the new CFO of the Company, to provide administration/bookkeeping/accounting services on a monthly basis for $1500 plus GST per month. This agreement may be terminated by the Company or the Consultant with three month's notice.

11. MANAGEMENT OF CAPITAL RISK

The Company manages its cash and cash equivalents, common shares, stock options and warrants as capital (see Note 7 and 8). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with short term maturities, selected with regards to the expected timing of expenditures from continuing operations.

The Company expects its current capital resources will be sufficient to carry its exploration plans and operations through its current operating period.

SUBSEQUENT EVENTS

There were no subsequent events to report.