

NEWMAC RESOURCES INC.
INTERIM FINANCIAL STATEMENTS
MARCH 31, 2007 AND 2006
(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

These financial statements have been prepared by management of the Company. We have compiled the interim consolidated balance sheet of Newmac Resources Inc. as at March 31, 2007 and the interim consolidated statements of loss and deficit and cash flows for the three months and six months then ended.

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

**NEWMAC RESOURCES INC.
INTERIM BALANCE SHEETS**

	March 31, 2007	September 30, 2006
	<i>(Unaudited)</i>	<i>(Audited)</i>
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 113,690	\$ 112,656
Taxes recoverable and other	26,232	5,151
Prepaid and deposits	7,984	5,752
Due from related parties	-	-
	147,906	123,559
PROPERTY AND EQUIPMENT (Note 4)	2,549	3,379
MINERAL PROPERTIES (Note 3)	2,662,038	1,974,114
RECLAMATION DEPOSIT	14,500	14,500
	\$ 2,826,993	\$ 2,115,552
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 214,710	\$ 35,994
Due to related parties (Note 5)	-	263
	214,710	36,257
SHAREHOLDERS' EQUITY (DEFICIENCY)		
SHARE CAPITAL (Note 6)	3,119,382	2,319,853
CONTRIBUTED SURPLUS	610,763	598,800
SHARE SUBSCRIPTIONS RECEIVED	-	140,452
DEFICIT	(1,117,862)	(979,810)
	2,612,283	2,079,295
	\$ 2,826,993	\$ 2,115,552

Subsequent events (Note 8)

Approved on behalf of the Board:

"David Hjerpe"

David Hjerpe, Director

"J. William Morton"

J. William Morton, Director

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

NEWMAC RESOURCES INC.
INTERIM STATEMENTS OF (INCOME) LOSS AND DEFICIT
(Unaudited)

	For the three months ended March 31, 2007	For the three months ended March 31, 2006	For the six months ended March 31, 2007	For the six months ended March 31, 2006
EXPENSES				
Amortization	\$ 415	\$ 638	\$ 831	\$ 720
Foreign exchange loss	-	126	(3)	684
Investor relations	16,475	21,801	16,813	22,275
Management fees	15,000	15,000	30,000	22,500
Office and general	1,724	841	3,265	1,850
Professional fees	11,951	10,166	18,305	27,007
Rent	1,500	1,000	3,000	1,000
Stock based compensation	11,963	163,600	11,963	351,200
Transfer agent, listing, and filing fees	15,586	9,390	38,449	18,372
Travel and promotion	1,100	1,675	18,144	10,856
LOSS BEFORE THE FOLLOWING	75,714	224,237	140,767	456,464
Interest income	(2,658)	-	(2,714)	-
LOSS BEFORE INCOME TAX PROVISION	73,056	224,237	138,053	456,464
Recovery of future income tax asset	-	-	-	-
NET (INCOME) LOSS FOR THE PERIOD	73,056	224,237	138,053	456,464
DEFICIT, BEGINNING OF PERIOD	1,044,806	441,773	979,809	209,546
DEFICIT, END OF PERIOD	\$ 1,117,862	\$ 666,010	\$ 1,117,862	\$ 666,010
EARNINGS (LOSS) PER SHARE - Basic	\$ (0.01)	\$ (0.02)	\$ (0.01)	\$ (0.03)
Weighted average number of common shares outstanding	12,457,605	9,617,432	12,457,605	8,837,440

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

NEWMAC RESOURCES INC.
INTERIM STATEMENTS OF CASH FLOWS
(Unaudited)

	For the three months ended March 31, 2007	For the three months ended March 31, 2006	For the six months ended March 31, 2007	For the six months ended March 31, 2006
CASH FLOWS PROVIDED BY (USED FOR):				
OPERATING ACTIVITIES				
Net income (loss) for the period	\$ (73,056)	\$ (224,237)	\$ (138,053)	\$ (456,464)
Less: items not affecting cash				
Amortization	415	638	831	720
Stock based compensation	11,963	163,600	11,963	351,200
Recovery of future income tax asset	-	-	-	-
Net changes in non-cash working capital items:				
Taxes recoverable	(8,779)	6,912	(21,082)	(15,292)
Prepaid expenses and deposits	(6,268)	(540)	(2,232)	(142)
Accounts payable and accrued liabilities	163,183	307,894	198,717	246,372
Due to related parties	-	(13,777)	(263)	(17,665)
	87,458	240,490	49,881	108,729
INVESTING ACTIVITIES				
Reclamation bond	-	-	-	(10,000)
Acquisition of property and equipment	-	(4,000)	-	(4,000)
Mineral property acquisition and exploration costs, net of \$nil in stock based payments (2006 - \$49,380)	(446,593)	(406,947)	(677,924)	(768,063)
	(446,593)	(410,947)	(677,924)	(782,063)
FINANCING ACTIVITIES				
Issue of common shares	20,000	995,333	807,029	1,179,883
Share subscriptions	(20,000)	(198,271)	(140,452)	-
Deferred share issue costs	-	-	(37,500)	-
Special Warrant proceeds received	-	-	-	-
	-	797,062	629,077	1,179,883
INCREASE (DECREASE) IN CASH	(359,135)	626,605	1,034	506,549
CASH, BEGINNING OF THE PERIOD	472,825	285,184	112,656	405,240
CASH, END OF THE PERIOD	\$ 113,690	\$ 911,789	\$ 113,690	\$ 911,789
NON-CASH FINANCING AND INVESTING ACTIVITIES				
Common shares allotted for acquisition of mineral property	\$ -	\$ -	\$ 10,000	\$ 19,000
Common shares issued for Agent's fees	\$ -	\$ -	\$ 10,000	\$ -
Common shares issued for Debt	\$ -	\$ -	\$ 20,000	\$ -
SUPPLEMENTAL DISCLOSURE				
Interest paid	\$ -	\$ -	\$ -	\$ -
Income taxes paid	\$ -	\$ -	\$ -	\$ -

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

NEWMAC RESOURCES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
MARCH 31, 2007 (Unaudited)

NOTE 1 - NATURE AND CONTINUANCE OF OPERATIONS

The Company was incorporated on August 20, 2003 under the Company Act of British Columbia, and is involved in the acquisition, exploration and development of mineral properties located in British Columbia, Canada. The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related deferred costs is dependent upon the discovery and exploitation of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

These financial statements have been prepared using Canadian generally accepted accounting principals on the basis of a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred losses of \$1,117,862 since inception. Should the Company be unable to continue as a going concern, the realization of assets may be at amounts significantly less than carrying value. The continuation of the Company as a going concern is dependant on its ability to obtain additional equity capital to finance existing operations, attaining commercial production from its mineral properties, and attaining future profitable operations or positive cash flows. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The Company intends to raise capital to finance operations through offerings of common stock through private placements of which directors and officers may participate. Anticipated expenses in the next year consist of funding exploration activities and drilling programs on the Company's four material properties.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Estimates, Assumptions and Measurement Uncertainty

The preparation of 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 date of the financial statements and the reported amounts of revenues and expenses during the period. Significant areas requiring the use of management estimates relate to the impairment of mineral property interests and the determination of reclamation obligations. Actual results could differ from those estimates. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Financial Instruments

The fair value of the Company's cash, taxes recoverable and other, accounts payable and accrued liabilities, and due to related parties were estimated to approximate their carrying values due to the immediate or short-term maturity of these financial instruments. Management does not believe the Company is exposed to significant credit, currency, market or interest rate risks.

Loss Per Share

The loss per share figures are calculated using the weighted average number of common shares outstanding during the respective fiscal periods. Diluted loss per share is calculated using the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding used for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share purchase options and warrants are used to repurchase common shares at the average market price during the period. Diluted loss per share has not been presented as the Company has no dilutive securities issued as at March 31, 2007.

Cash and cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. As at March 31, 2007 there were no cash equivalents.

Mineral Properties

The cost of mineral properties and related exploration and development costs are deferred until the properties are placed into production, sold or abandoned, or management has determined there has been an impairment in value. These costs will be amortized over the useful life of the properties following the commencement of commercial production or written off if the properties are sold, allowed to lapse, or abandoned. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. It is reasonably possible that economically recoverable reserves may not be discovered and accordingly a material portion of the carrying value of mineral properties and related deferred exploration costs could be written off. Although the Company has taken steps to verify title to mineral properties in which it has an interest, according to the usual industry standards for the stage of exploration of such properties, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected title defects.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment

The Company capitalizes costs to develop its website and amortizes property and equipment over their estimated useful lives as follows:

Computer hardware	Straight line method over a period of 3 years
Website	Straight line method over a period of 3 years

Asset Retirement Obligation

The Company accounts for asset retirement obligations and site rehabilitation costs in accordance with the requirements of the Canadian Institute of Chartered Accountants Handbook Section 3110 "Asset Retirement Obligations". Under this policy, the present value of future closure obligations is recorded as a liability when that liability is incurred with a corresponding increase in carrying value of the related Mining Property assets. The increased carrying value of the mining property asset will be amortized over the life of the related mining assets on a unit of production basis when the property comes into production. The liability for asset retirement obligations is accreted to the amount ultimately payable over the period to the date it is paid. As at March 31, 2007 the Company has not recognized any asset retirement obligations.

Share Capital

Proceeds from the sale of flow-through shares are credited to share capital. The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian income tax legislation. Future income taxes related to temporary differences arising on renunciation of expenditures to subscribers are offset against future income tax assets.

Income Taxes

The Company accounts for income taxes using the asset and liability method, whereby future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantially enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment. Future income tax assets are recognized to the extent that they are considered more likely than not to be realized. The valuation of future income tax assets is adjusted, if necessary, by the use of a valuation allowance to reflect the estimated realizable amount. At March 31, 2007, the Company recognized a valuation allowance equal to the full amount of net future tax asset.

Flow-through Shares

In March 2004, the Canadian Institute of Chartered Accountants issued Emerging Issue Committee Abstract No. 146, Flow-through Shares, which clarifies the recognition of previously unrecorded future income tax assets caused by renouncement of expenditures relating to flow-through shares. The Company has adopted prospectively the new recommendation for flow-through shares issued after March 19, 2004 and now records the tax effect related to the renounced deductions as a reduction of income tax expense in the statement of loss and deficit on the date that the Company renounces the deductions for investors whereas previously the tax effect was recorded as a credit to equity. The Company recorded a recovery of future income tax of \$54,450 with respect to flow-through shares totaling \$167,950 issued after March 19, 2004 and renounced during the year ended September 30, 2005.

NOTE 3 - MINERAL PROPERTIES

NEWMAC Property, British Columbia

By an agreement dated June 3, 2004, the Company acquired from its President, a 100% interest in six mineral claims known as the NEWMAC Property located in the Clinton Mining Division, British Columbia. Subsequently, work on the property resulted in several claims being dropped, with additional claims being staked. The Company issued 1,000,000 common shares which have been recorded at a deemed value of \$13,178, representing the President's out-of-pocket costs. The claims are subject to a net smelter returns royalty of 2.5% to a company with a common director. The Company has the option to purchase two-fifths of the royalty (1%NSR) for \$1,000,000.

Crazy Fox Property, British Columbia

The Company entered into an agreement on September 22, 2005 to acquire a 100% interest in the Crazy Fox Property, located 20 km northwest of Little Fort, British Columbia. The Company agreed to issue 200,000 common shares (100,000 shares issued) and make

NEWMAC RESOURCES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
MARCH 31, 2007 (Unaudited)

NOTE 3 - MINERAL PROPERTIES

payments totaling \$100,000 (\$10,000 paid to date) over a 3-year period. An additional 200,000 shares will be issued to the vendors if and when a positive feasibility study is completed. A 3%NSR is reserved for the vendors of which 2% may be purchased at any time for \$2.0 million reducing the NSR to 1%. A 10% finders fee is payable with the transaction (50,000 shares of which 5,000 shares have been issued). The Company issued 50,000 common shares at a deemed value of \$35,000 on October 31, 2005 and 50,000 common shares at a deemed value of \$19,750 on September 14, 2006 in relation to the acquisition of the Crazy Fox Property. On October 31, 2005 the Company also issued 5,000 common shares at a deemed value of \$3,500 as a finders fee in relation to the acquisition of the Crazy Fox Property.

Chilanko Property, British Columbia

The Company entered into an agreement on December 28, 2005 to acquire a 100% interest in the Chilanko Copper Property, located 170 km west of Williams Lake, British Columbia for \$20,000. Subsequently, the Company continues to expand the property and stake additional claims. A 30 kilometers induced polarization geophysical survey has recently commenced on the Chilanko property.

Bluff Property, British Columbia

The Company entered into an agreement on October 11, 2006 to acquire a 100% interest in the Bluff Property, located 175 km west of Williams Lake, British Columbia. To earn an initial 80% interest in the Bluff Property the Company must make payments totaling \$185,000 and issue vendors \$600,000 in value of common shares over a 5 year period. An initial \$10,000 in value of common shares is to be issued upon TSX Venture Exchange approval (issued), payments are yearly from that point on for the duration of 5 years. An additional 20% interest in the property can be earned by paying an additional \$1,000,000. 25,000 common shares will be issued as a finder's fee relating to this property (issued). On February 20, 2007 the Company announced that it had commenced a diamond-drilling program on the Bluff property, where wide spread occurrences of copper mineralized quartz tourmaline breccia rubble were recently discovered.

	Acquisition/ maintenance	Deferred exploration	March 31, 2007	September 30, 2006
NEWMAC Property – British Columbia				
Balance – beginning of year	\$ 17,886	\$ 513,221	\$ 531,107	\$ 212,273
Cash paid for acquisition	-	-	-	-
Administration	-	-	-	136
Aircraft and fuel	-	-	-	62,813
Assay and sampling	-	-	-	11,105
Drilling	-	-	-	138,541
Field supplies and rentals	-	6,194	6,194	7,903
Geological and field staff	-	3,150	3,150	79,534
Travel and accommodation	-	280	280	18,802
Costs for the period	-	9,624	9,624	318,834
Balance – end of period	\$ 17,886	\$ 522,845	\$ 540,731	\$ 531,107
Crazy Fox Property – British Columbia				
Balance – beginning of year	\$ 87,278	\$ 1,330,244	\$ 1,417,522	\$ 10,000
Cash paid for acquisition	-	-	-	2,528
Stock issuance for property	-	-	-	74,750
Administration	-	-	-	5,773
Aircraft and fuel	-	295	295	62,813
Assay and sampling	-	-	-	80,966
Drilling	-	-	-	741,555
Field supplies and rentals	-	-	2,818	170,811
Geological and field staff	-	-	-	226,115
Reports and maps	-	14,488	14,488	6,010
Travel and accommodation	-	32	32	99,014
Costs for the period	-	17,633	17,633	1,407,522
Balance – end of period	\$ 87,278	\$ 1,347,877	\$ 1,435,155	\$ 1,417,522

NEWMAC RESOURCES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
MARCH 31, 2007 (Unaudited)

	Acquisition/ maintenance	Deferred exploration	March 31, 2007	September 30, 2006
Chilanko Property – British Columbia				
Balance – beginning of year	\$ 21,870	\$ 3,614	\$ 25,484	\$ -
Cash paid for acquisition	2,502	-	2,502	21,871
Administration	-	265	265	56
Aircraft and fuel	-	4,162	4,162	-
Assay and sampling	-	870	870	-
Field supplies and rentals	-	35,609	35,609	-
Geological and field staff	-	165,125	165,125	3,225
Geophysical	-	4,770	4,770	3,225
Reports and maps	-	4,680	4,680	333
Road building	-	17,199	17,199	-
Travel and accommodation	-	54,288	54,288	-
Costs for the period	2,502	286,968	289,470	25,485
Balance – end of period	\$ 24,372	\$ 290,582	\$ 314,954	\$ 25,485
Bluff Property – British Columbia				
Balance – beginning of year	\$ -	\$ -	\$ -	\$ -
Cash paid for acquisition	10,000	-	10,000	-
Administration	-	56	56	-
Aircraft and fuel	-	6,397	6,397	-
Assay and sampling	-	279	279	-
Drilling	-	168,691	168,691	-
Field supplies and rentals	-	64,086	64,086	-
Geological and field staff	-	88,360	88,360	-
Reports and maps	-	5,372	5,372	-
Road building	-	657	657	-
Travel and accommodation	-	27,299	27,299	-
Costs for the period	10,000	361,197	371,197	-
Balance – end of period	\$ 10,000	\$ 361,197	\$ 371,197	\$ -
Summary for all Properties				
Balance – beginning of year	\$ 127,035	\$ 1,847,079	\$ 1,974,114	\$ 222,273
Costs for the period	12,502	675,422	687,924	1,751,841
Balance – end of period	\$ 139,537	\$ 2,522,501	\$ 2,662,038	\$ 1,974,114

NOTE 4 – PROPERTY AND EQUIPMENT

	Cost	Accumulated Amortization	March 31, 2007	Year ended September 30, 2006,
Computer hardware	\$ 985	\$ 547	\$ 438	\$ 602
Website	4,000	1,889	2,111	2,777
	\$ 4,985	\$ 2,436	\$ 2,549	\$ 3,379

NEWMAC RESOURCES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
MARCH 31, 2007 (Unaudited)

NOTE 5 – RELATED PARTY TRANSACTIONS (See notes 6 and 7)

The Company is indebted to the President and a private company controlled by him in the amount of \$nil (2006 - \$263), representing reimbursement of expenses and cash advances. These amounts are unsecured, non-interest bearing, and have no specific terms of repayment. The Company incurred the following amounts to directors of the Company, and private companies controlled by them, during the respective periods:

	March 31, 2007	Year ended September 30, 2006
Acquisition costs	\$ -	\$ 1,871
Deferred exploration	3,150	46,827
Investor relations	-	1,092
Management fees	30,000	52,500
Office and general	-	585
Travel and promotion	-	6,515
Balance – end of period	\$ 33,150	\$ 109,390

- a) The Company acquired its interest in the NEWMAC mineral property from its President. The Company issued 1,000,000 common shares to the President of the Company for the acquisition of the NEWMAC mineral property, as described in Note 3. The NSR royalty interest is held by a company with a common director.

NOTE 6 - SHARE CAPITAL

Authorized share capital consists of an unlimited number of common shares without par value.

Issued:

	Shares	Value	Contributed Surplus
Issued at September 30, 2005	7,783,356	\$ 763,553	\$ -
<i>Issued during the year:</i>			
- for acquisition of Crazy Fox mineral property at \$0.70 per share	50,000	\$ 35,000	\$ -
- for acquisition of Crazy Fox mineral property at \$0.395 per share	50,000	19,750	-
- for services at \$0.70 per share issued for finder's fees	5,000	3,500	-
- for cash at \$0.50 per share, private placements	1,210,362	605,182	-
- by exercise of warrants	2,938,925	899,368	-
- share issuance costs	-	(6,500)	-
- stock based compensation	-	-	598,800
Issued at September 30, 2006	12,037,643	\$ 2,319,853	\$ 598,800
<i>Issued during the year:</i>			
- for acquisition of Bluff property at \$0.40 per share	25,000	10,000	-
- for services at \$0.40 per share issued for finder's fees	25,000	10,000	-
- for acquisition of Crazy Fox mineral property at \$0.30 per share	66,667	20,000	-
- for cash at \$0.50 per share, private placement	260,000	\$ 130,000	\$ -
- for cash at \$0.35 per share, private placements	448,665	157,029	-
- for cash at \$0.40 per share, private placements	1,250,000	500,000	-
- for cash at \$0.40 per share, private placements	50,000	20,000	-
- share issuance costs	-	(47,500)	-
- stock based compensation	-	-	11,963
Issued at March 31, 2007	14,162,965	\$ 3,119,382	\$ 610,763

NOTE 6 - SHARE CAPITAL (Continued)

In the year ended September 30, 2006:

On December 15, 2005 the Company completed a private placement to raise gross proceeds of \$80,000. Under the terms of the offering the Company sold 160,000 units at a price of \$0.50 per unit. Each unit consists of one common share and one non-transferable share purchase warrant to purchase an additional 160,000 shares at a price of \$0.62 per share until December 14, 2006.

On January 9, 2006 the Company completed a private placement to raise gross proceeds of \$65,000. Under the terms of the offering the Company sold 130,000 flow-through common shares at \$0.50 per share. The Company paid finder's fees of \$3,000 on a portion of the flow-through private placement.

On January 27, 2006 the Company completed a private placement to raise gross proceeds of \$230,295. Under the terms of the offering the Company sold 460,589 units at a price of \$0.50 per unit. Each unit consists of one common share and half a non-transferable share purchase warrant to purchase an additional 230,297 shares at a price of \$0.62 per share until January 27, 2007.

On February 15, 2006 the Company completed a private placement to raise gross proceeds of \$40,000. Under the terms of the offering the Company sold 80,000 units at a price of \$0.50 per unit. Each unit consists of one common share and half a non-transferable share purchase warrant to purchase an additional 40,000 shares at a price of \$0.62 per share until February 17, 2007.

On July 27, 2006 the Company completed a private placement to raise gross proceeds of \$189,887. Under the terms of the offering the Company sold 379,773 units at a price of \$0.50 per unit. Each unit consists of one common share and one non-transferable share purchase warrant to purchase an additional common share at a price of \$0.50 per share until July 25, 2007.

In the year ended September 30, 2007:

On October 3, 2006 the Company completed a private placement to raise gross proceeds of \$130,000. Under the terms of the offering the Company sold 260,000 units at a price of \$0.50 per unit. Each unit consists of one common share and one non-transferable share purchase warrant to purchase an additional common share at a price of \$0.50 per share until September 29, 2007. These securities issued are subject to a 4-month hold period expiring February 7, 2007.

On October 11, 2006 the Company entered into a property option agreement to acquire up to 100% interest in the Bluff property, located 175 kilometers west of the community of Williams Lake, BC. To earn an initial 80% interest in the Bluff property the Company must make payments totaling \$185,000 and issue the vendors \$600,000 in value of common shares over a 5 year period, with a minimum deemed price of \$0.315 per share (or the cash equivalent). An initial \$10,000 in value of common shares is to be issued upon TSX Venture Exchange approval; payments are yearly from that point on for a duration of 5 years. An additional 20% interest in the property can be earned by paying an additional \$1,000,000 before the seventh anniversary of the agreement. The Company issued 25,000 common shares in accordance with the Bluff property option agreement accepted for filing by the TSX Venture Exchange on October 23, 2006. The Company also issued 25,000 shares as a finder's fee. These shares are subject to a hold period expiring on February 26, 2007.

The Company completed the settlement of \$20,000 of debt by issuing a total of 66,667 shares at a deemed price of \$0.30 per share. The shares issued are subject to a hold period that expires March 1, 2007.

On December 7, 2006 the Company completed a private placement to raise gross proceeds of \$157,029. Under the terms of the offering the Company sold 208,000 flow-through units at a price of \$0.35 per unit and 240,655 non-flow-through units at a price of \$0.35 per unit. Each flow-through unit consists of one flow-through common share and one non-transferable share purchase warrant to purchase an additional non flow-through common share at a price of \$0.50 per share until December 5, 2007. Each Non flow-through unit consists of one flow-through common share and one non-transferable share purchase warrant to purchase an additional non flow-through common share at a price of \$0.50 per share until December 5, 2007. These securities are subject to a 4-month hold period expiring April 8, 2007.

On December 12, 2006 the Company completed a private placement to raise gross proceeds of \$500,000. Under the terms of the offering the Company sold 1,250,000 flow-through units at a price of \$0.40 per flow-through unit. Each flow-through unit consists of one flow-through common share and half a non-transferable share purchase warrant, each full warrant entitling the holder to purchase one additional non flow-through common share, exercisable until December 11, 2007 at a price of \$0.60 per share. In relation with this placement, the Company also paid a finder's fee of \$37,500 and 125,000 warrants which are exercisable until December 11, 2007 at a price of \$0.60 per share.

NEWMAC RESOURCES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
MARCH 31, 2007 (Unaudited)

NOTE 6 - SHARE CAPITAL (Continued)

On January 8, 2007 the Company completed a private placement to raise gross proceeds of \$20,000. Under the terms of the offering the Company sold 50,000 flow-through units at a price of \$0.40 per unit. Each flow-through unit consists of one flow-through common share and half a one non-transferable share purchase warrant to purchase one additional non flow-through common share at a price of \$0.60 per share until January 8, 2008. These securities issued are subject to a 4-month hold period expiring May 10, 2007.

On January 18, 2007 the Company announced the extension by one year of the term of the 143,372 warrants issued on January 25, 2006 from an expiry date of January 25, 2007 to January 25, 2008, exercisable at the same exercise price of \$0.62.

On February 2, 2007 the Company announced that, subject to regulatory approval, it retained the services of Coal Harbor Communications Inc. to provide investor relations services to the Company. Coal Harbor will receive a fee of \$6,000 per month per month starting February 1, 2007. The term of the contract is one year. Coal Harbor has been granted 100,000 options at \$0.39 per share for a period of one year subject to regulatory approval. On February 13, 2007 Coal Harbor was granted an additional 100,000 options at \$0.45 per share for a period of one year.

At March 31, 2007, 2,550,002 shares (2006 – 2,550,002 shares) are held in escrow, which are governed by the provision of the Canadian Securities Regulators National Policy 46-201 as to the restrictions imposed on the escrow shares. Pursuant to the policy, the escrow shares will be released pro rata to the holders as to 10% thereof of the original amount on the date of listing of the Company's shares on the TSX Venture Exchange, and a further 15% on each of the dates 6, 12, 18, 24, 30 and 36 months following the initial release. During the twelve months ended September 30, 2006, 1,274,999 shares were released from escrow.

Share Purchase Warrants

The continuity of share purchase warrants during the period ended March 31, 2007 is as follows:

Expiry dates	Exercise price	Outstanding as of September 30, 2006	Issued throughout the period	Exercised throughout the period	Expired throughout the period	Outstanding as of March 31, 2007
September 9, 2006	\$0.35	352,000	-	-	352,000	-
December 14, 2006	\$0.62	160,000	-	-	160,000	-
February 15, 2007	\$0.62	40,000	-	-	40,000	-
January 28, 2008	\$0.62	143,372	-	-	-	143,372
July 25, 2007	\$0.50	379,773	-	-	-	379,773
September 29, 2007	\$0.50	-	260,000	-	-	260,000
December 5, 2007	\$0.50	-	448,655	-	-	448,655
December 11, 2007	\$0.60	-	750,000	-	-	750,000
January 8, 2008	\$0.60	-	25,000	-	-	25,000
		1,075,145	1,483,655	-	552,000	2,006,800

Share Purchase Options

Effective February 19, 2007, the Company has adopted a fixed number stock option plan (the "Plan") which provides that the board of directors of the Company may from time to time, in its discretion, and in accordance with TSX Venture Exchange requirements, grant to directors, officers, employees and consultants, non-transferable options to purchase shares, provided that the number of shares reserved for issuance shall not exceed 20% of the Company's issued and outstanding shares as at the date of shareholder approval (equivalent to 2,832,593 shares). The Plan was established to assist the Company in attracting, retaining and motivating directors, officer, employees and consultants of the Company. Options may be exercised for a period of up to 5 years from the date of grant at a price not less than the Discounted Market Price on the day of grant. In connection with the foregoing, the number of shares reserved for issuance to: (a) any one individual shall not exceed five percent (5%) of the Company's issued and outstanding shares in any 12 month period; (b) any one consultant shall not exceed two percent (2%) of the Company's issued and outstanding shares in any 12 month period; and (c) all employees conducting investor relations activities shall not exceed two percent (2%) of the Company's issued and outstanding shares in any 12 month period. Options immediately expire upon cessation of the optionee's position with the Company, unless extended by the board of directors for a period of up to 30 days, subject to expiry dates of such options, provided that if the cessation of the optionee's position was

NEWMAC RESOURCES INC.
NOTES TO INTERIM FINANCIAL STATEMENTS
MARCH 31, 2007 (Unaudited)

NOTE 6 - SHARE CAPITAL (Continued)

by reason of death, the option may be exercised within a maximum period of six months after such death, subject to the expiry date of such options. The Plan provides for vesting provisions as to 25% upon grant; 25% six months after grant; 25% twelve months after grant; and 25% after eighteen months after grant.

The continuity of share purchase options is as follows:

	March 31, 2007		Year Ended September 30, 2006	
	Number of shares	Average Price	Number of shares	Average Price
Opening Balance	1,280,000	\$.36	-	\$ -
Granted during the period	200,000	.42	1,380,000	0.44
Exercised during the period	-	-	-	-
Expired/cancelled during the period	(250,000)	.34	(100,000)	1.50
Closing Balance	1,230,000		1,280,000	
Average contractual remaining life (years)		3.10		3.32

Outstanding share purchase options as of March 31, 2007

	Expiry Date	Exercise Price	Outstanding
Share Purchase Options	October 3, 2010	0.25	600,000
	October 3, 2010	0.50	200,000
	February 14, 2011	0.54	80,000
	February 8, 2008	0.50	150,000
	February 1, 2008	0.39	100,000
	February 12 2008	0.45	100,000
			1,230,000

The fair value of the options granted is estimated using the Black-Scholes option pricing model. For the year ended September 30, 2006, of the 598,800 fair value of options recorded, \$49,380 has been included as geological consulting and services in resource property costs and the balance of \$549,420 charged to stock based compensation.

Weighted average assumptions used in the option pricing model are as follows:

	2007	2006
Risk-free interest rate	4.00%	3.69%
Expected life	2 years	4.22 years
Expected volatility	31%	128%
Expected dividends	Nil	Nil

NOTE 7 – SPECIAL WARRANT PROCEEDS

For the year ended September 30, 2006 the Company issued 839,750 Flow-Through Special Warrants and 108,530 Non-Flow-Through Special Warrants at a price of \$0.20 per Special Warrant to net the Company proceeds of \$189,656. The Special Warrants were exercised into one common share of the Company, for no additional consideration, on the fifth business day after the date of receipt of acceptance of the Company's final prospectus. A director and two relatives of that director subscribed for 260,000 Flow-through Special Warrants for proceeds of \$52,000.

NOTE 8 – INCOME TAXES

The Company has non-capital losses for Canadian income tax purposes of approximately \$625,000 (September 30, 2006 - \$495,075), which may be used to reduce future taxable income in Canada, expiring between 2007 and 2014. The Company has claimed exploration and development expenditures of approximately \$1,605,000 (September 30, 2006 - \$1,612,692) which has been deducted for income tax purposes in Canada for the fiscal year ended September 30, 2006.

In assessing the realizability of future tax assets, management considers whether it is more likely than not that some portion or all of the future tax assets will not be realized. The ultimate realization of future tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of future tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of the future tax asset considered realizable could change materially in the near term based on future taxable income during the carry forward period. A valuation allowance has been provided against all net future tax assets, as realization of such net assets is uncertain.

NOTE 9 – SUBSEQUENT EVENTS

On April 20, 2007 the Company completed a non-brokered private placement to raise gross proceeds of \$43,000. Under the terms of the offering the Company will issue 100,000 units at a price of \$0.43 per unit. Each unit consists of one common share and one non-transferable share purchase warrant to purchase an additional common share at a price of \$0.43 per share until April 13, 2009. These securities issued are subject to a 4-month hold period expiring August 20, 2007. Proceeds from the private placement will be used for general working capital purposes.

On April 26, 2007 the Company announced, subject to TSX approval, a non-brokered private placement to raise gross proceeds of \$150,000 with certain placees. Under the terms of the offering the Company will issue 375,000 flow-through units at a price of \$0.40 per unit. Each flow-through unit consists of one flow-through common share and half a non-transferable share purchase warrant to purchase an additional non flow-through common share at a price of \$0.60 per share, exercisable for a period of one year from the date of issuance. Proceeds from the FT Unit non-brokered private placement will be used to explore the company's properties located in British Columbia. This exploration work will qualify as Canadian Exploration Expense for the purposes of the Income Tax Act (Canada), which will then be renounced by the Company to the placees.

On May 3, 2007 the Company announced that it had commenced a second round of diamond-drilling program on the Bluff property located 180 kilometers west of Williams Lake, BC. At the Bluff property, which is adjacent to the Company's property, wide spread occurrences of copper mineralized quartz tourmaline breccia rubble were discovered in 2006. In December 2006, a survey of approximately 35 kilometers of induced polarization was completed in the area where this mineralization was encountered and a number of strong induced polarization anomalies were identified. The objective of the current drill program is to complete six additional drill holes allowing for broader targeting of mineralization including quartz tourmaline style. An initial drill program of eight diamond drill holes totaling 3,950 feet was completed in March. Three of these holes were abandoned before reaching bedrock in deep overburden. The new holes being drilled will test other targets left untested because of winter conditions in the first drill program. Results of these two programs will be released once completed and compiled.

On May 16, 2007 the Company announced, subject to TSX approval, a non-brokered private placement to raise gross proceeds of \$1,000,000 with two placees. Under the terms of the offering the Company will issue 2,500,000 flow-through units at a price of \$0.40 per unit. Each flow-through unit consists of one flow-through common share and half a transferable share purchase warrant to purchase an additional non flow-through common share at a price of \$0.60 per share, exercisable for a period of one year from the date of issuance. Proceeds from the FT Unit non-brokered private placement will be used to explore the company's properties located in British Columbia. This exploration work will qualify as Canadian Exploration Expense for the purposes of the Income Tax Act (Canada), which will then be renounced by the Company to the placees. In connection with this private placement, the company will pay a finder's fee of 7.5 per cent cash and 250,000 warrants, which are exercisable for a period of one year from the date of issuance at a price of \$0.60 per share.