

LA QUINTA RESOURCES CORPORATION

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

These unaudited interim financial statements for the period ended June 30, 2007 have not been reviewed by the Company's Auditor

LA QUINTA RESOURCES CORPORATION

INTERIM CONSOLIDATED BALANCE SHEETS (Unaudited)

	JUNE 30, 2007	DECEMBER 31 2006
ASSETS		
Current		
Cash and cash equivalents	\$ 2,310,958	\$ 144,650
Short term investments	-	750,000
Amounts receivable	69,314	45,005
Exploration advance	312,798	-
Prepaid expenses	44,464	28,017
	2,737,534	967,672
Equipment (Note 4)	36,208	32,364
Mineral Properties And Deferred Exploration Expenditures (Note 5)	1,554,275	1,194,758
	\$ 4,328,017	\$ 2,194,794
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 23,577	\$ 51,545
SHAREHOLDERS' EQUITY		
Share Capital (Note 6)	4,934,090	2,787,394
Contributed Surplus	838,454	44,300
Accumulated Other Comprehensive Income	(17,543)	-
Deficit	(1,450,561)	(688,445)
	4,304,440	2,143,249
	\$ 4,328,017	\$ 2,194,794

Approved by the Directors:

"Michel Cormier"

Director

"Malcolm Swallow"

Director

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

LA QUINTA RESOURCES CORPORATION
INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	THREE MONTHS ENDED JUNE 30		SIX MONTHS ENDED JUNE 30	
	2007	2006	2007	2006
Expenses				
Amortization	\$ 2,888	\$ -	\$ 4,448	\$ -
Bank charges and interest	932	12	1,621	96
Consulting	18,196	-	18,407	-
Management fees	41,289	15,000	82,571	30,000
Office and miscellaneous	16,959	2,729	23,165	4,025
Professional fees	66,577	15,725	86,260	24,725
Property investigation	33,359	16,140	67,714	35,037
Rent	13,328	5,134	43,954	5,942
Salaries	14,847	-	28,921	-
Shareholder communications	66,066	23,350	119,113	24,424
Stock based compensation	59,800	-	167,900	-
Telephone	12,614	-	18,075	-
Transfer and regulatory fees	15,212	7,687	28,468	14,099
Travel and entertainment	62,740	-	87,497	5,634
	<u>424,807</u>	<u>85,777</u>	<u>778,114</u>	<u>143,982</u>
Loss Before The Following Item	(424,807)	(85,777)	(778,114)	(143,982)
Interest income	10,301	-	15,998	-
Loss Before Income Taxes	(414,506)	(85,777)	(762,116)	(143,982)
Future Income Tax Recovery	-	-	-	102,010
Loss For The Period	\$ (414,506)	\$ (85,777)	\$ (762,116)	\$ (41,972)
Basic And Diluted Loss Per Share	\$ (0.02)	\$ (0.01)	\$ (0.04)	\$ (0.01)
Weighted Average Number Of Shares Outstanding	19,597,009	9,238,000	17,762,797	9,238,000

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

LA QUINTA RESOURCES CORPORATION

INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME (Unaudited)

	THREE MONTHS ENDED JUNE 30		SIX MONTHS ENDED JUNE 30	
	2007	2006	2007	2006
Loss For The Period	\$ (414,506)	\$ (85,777)	(762,116)	\$ (41,972)
Other Comprehensive Loss				
Foreign exchange translation adjustment	(14,517)	-	(17,543)	-
Comprehensive Loss for the Period	\$ (429,023)	\$ (85,777)	\$ (779,659)	\$ (41,972)

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

LA QUINTA RESOURCES CORPORATION
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	THREE MONTHS ENDED JUNE 30		SIX MONTHS ENDED JUNE 30	
	2007	2006	2007	2006
Loss for the period	\$ (414,506)	\$ (85,777)	\$ (762,116)	\$ (41,972)
Add (Deduct): Items not involving cash:				
Amortization	2,888	-	4,448	-
Stock based compensation	59,800	-	167,900	-
Foreign exchange translation adjustment	(14,517)	-	(17,543)	-
Future income tax recovery	-	-	-	(102,010)
	<u>(366,335)</u>	(85,777)	<u>(607,311)</u>	(143,802)
Changes in non-cash working capital items:				
Amounts receivable	(22,877)	-	(24,309)	-
Exploration advances	(223,971)	-	(312,798)	-
Prepaid expenses	(19,043)	19,495	(16,447)	17,510
Accounts payable and accrued liabilities	(21,886)	-	(27,968)	(61,708)
	<u>(654,112)</u>	(66,282)	<u>(988,833)</u>	(188,180)
Cash Flows From Financing Activity				
Issuance of share capital	2,620,000	-	2,975,750	-
Share issuance costs	(202,800)	-	(202,800)	-
	<u>2,417,200</u>	-	<u>2,772,950</u>	-
Cash Flows From Investing Activities				
Proceeds on disposal of short term investments	500,000	-	750,000	-
Purchase of equipment	(8,217)	-	(8,292)	-
Mineral properties and deferred expenditures	(126,698)	(51,401)	(359,517)	(51,401)
	<u>365,085</u>	(51,401)	<u>382,191</u>	(51,401)
Increase (Decrease) In Cash And Cash Equivalents	2,128,173	(117,683)	2,166,308	(239,581)
Cash And Cash Equivalents, Beginning Of Period	182,785	661,620	144,650	783,518
Cash And Cash Equivalents, End Of Period	\$ 2,310,958	\$ 543,937	\$ 2,310,958	\$ 543,937

(Continued)

The accompanying notes are an integral part of these financial statements

LA QUINTA RESOURCES CORPORATION
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	THREE MONTHS ENDED		SIX MONTHS ENDED	
	JUNE 30		JUNE 30	
	2007	2006	2007	2006
Supplementary Cash Flow Information				
Interest paid	\$ -	\$ -	\$ -	\$ -
Income taxes paid	\$ -	\$ -	\$ -	\$ -

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

LA QUINTA RESOURCES CORPORATION.

INTERIM CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

JUNE 30, 2007
(Unaudited)

	COMMON STOCK		CONTRIBUTED SURPLUS	ACCUMULATED OTHER COMPREHENSIVE	ACCUMULATED DEFICIT	TOTAL STOCKHOLDER'S EQUITY
	SHARES	AMOUNT		INCOME		
Balance, December 31, 2005	9,238,000	\$ 1,140,229	\$ 44,300	\$ -	\$ (272,112)	\$ 912,417
Shares issued for cash	5,535,000	1,731,000	-	-	-	1,731,000
Shares issued for mineral properties	140,000	34,000	-	-	-	34,000
Shares issued on exercise of agents warrants	67,500	27,000	-	-	-	27,000
Shares issued on exercise of agents options	382,580	95,645	-	-	-	95,645
Income tax benefit renounced		(117,215)	-	-	-	(117,215)
Share issuance costs		(123,265)	-	-	-	(123,265)
Loss for the year	-	-	-	-	(416,333)	(416,333)
Balance, December 31, 2006	15,363,080	2,787,394	44,300	-	(688,445)	2,143,249
Shares issued on exercise of share purchase warrants	1,202,500	390,750	-	-	-	390,750
Shares issued on exercise of stock options	150,000	65,546	(15,546)	-	-	50,000
Shares issued pursuant to private placement at \$0.50 per unit (net)	5,070,000	1,690,400	641,800	-	-	2,332,200
Stock based compensation	-	-	167,900	-	-	167,900
Foreign exchange translation adjustment	-	-	-	(17,543)	-	(17,543)
Loss for the period	-	-	-	-	(762,116)	(762,116)
Balance, June 30, 2007	21,785,580	\$ 4,934,090	\$ 838,454	\$ (17,543)	\$ (1,450,561)	\$ 4,304,440

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

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

1. BASIS OF PRESENTATION

The interim financial statements of La Quinta Resources Ltd. (the "Company") have been prepared by management in accordance with accounting principles generally accepted in Canada. The interim financial statements have been prepared following the same accounting policies and methods of computation as the financial statements for the fiscal year ended December 31, 2006, except as described below. The disclosures included below are incremental to those included with the annual financial statements. The interim financial statements should be read in conjunction with the financial statements and the notes thereto in the Company's annual report for the year ended December 31, 2006.

2. NATURE OF OPERATIONS

The Company was incorporated on August 17, 2004 in British Columbia and began active operations on that date. The Company holds mineral interests in Canada, Mexico and the Democratic Republic of Congo.

The interim financial statements include the operations of the Company and its wholly-owned subsidiary, Can-Mex Barite, S.A. de C.V., a company incorporated in Mexico, and its 80% interest in La Quinta Congo SPRL, a company which was incorporated in the Democratic Republic of the Congo on May 29, 2007. All significant inter-company balances and transactions have been eliminated in the consolidation.

The interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles in Canada.

The preparation of interim consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ significantly from these estimates.

The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown as mineral properties and related deferred exploration expenditures is dependent upon the discovery 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 upon future profitable production or proceeds from the disposition thereof.

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES

a) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Company's management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Actual results may differ from those estimates.

b) Cash and Cash Equivalents

Cash and cash equivalents consist of cash, short term deposits and short term investments with original maturities or redeemable features of ninety days or less from the date of acquisition.

c) Mineral Properties and Related Deferred Exploration Expenditures

The Company capitalizes all exploration expenditures directly related to specific mineral properties in which it has a continuing interest until the extent of mineralization has been determined and the mineral properties are either sold, developed or the Company's mineral rights are allowed to lapse. Capitalized costs are amortized over the useful life of the ore body following commencement of commercial production based on estimated economic reserves or written off if the property is sold or abandoned.

d) Impairment of long-lived assets

Long-lived assets to be held and used by the Company are reviewed for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If changes in circumstances indicate that the carrying amount of an asset that an entity expects to hold and use may not be recoverable, future cash flows expected to result from the use of the asset and its disposition must be estimated. If the undiscounted value of the future cash flows is less than the carrying amount of the asset, impairment is recognized. Management believes there has been no impairment of the Company's long-lived assets, as at June 30, 2007.

e) Asset Retirement Obligations

The Company follows the recommendations in CICA Handbook Section 3110 – "Asset Retirement Obligations" with respect to asset retirement obligations. Under Section 3110, legal obligations associated with the retirement of long-lived assets are recorded as liabilities. The liabilities are calculated using the net present value of the cash flows required to settle the obligation. A corresponding amount is capitalized to the related asset.

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Asset Retirement Obligations (Continued)

Asset retirement costs are charged to earnings in a manner consistent with the amortization of the underlying asset. The liabilities are subject to accretion over time for changes in the fair value of the liability through charges to accretion which are included in the statement of operations.

It is possible that the Company's estimates of its ultimate asset retirement obligations could change as a result of changes in regulations, the extent of environmental remediation required, the means of reclamation or cost estimates. Changes in estimates are accounted for prospectively from the period the estimate is revised. As at June 30, 2007, the Company does not have any asset retirement obligations.

f) Stock Based Compensation

The Company's Option Plan provides for granting of stock options to directors, officers and employees. The Company uses the fair value method for valuing stock option grants. Compensation costs attributable to share options granted are measured at fair value at the grant date and are expensed over vesting periods with a corresponding increase to contributed surplus. Upon exercise of the stock options, consideration paid by the option holder together with the amount previously recognized in contributed surplus is recorded as an increase to share capital.

g) Variable Interest Entities

The Canadian Institute of Chartered Accountants issued Accounting Guideline 15, "Consolidation of Variable Interest Entities", to provide accounting guidance related to variable interest entities ("VIE's") and indicates that they are required to be consolidated by the Company (primary beneficiary). The Company adopted the Guideline effective December 1, 2005 and has determined that it holds two VIE's, its 100% interest in Can-Mex Barite, S.A. de C.V. and its 80% interest in La Quinta Congo SPRL.

3. NEWLY ADOPTED ACCOUNTING POLICIES

These accounting policy changes were adopted on January 1, 2007, on a prospective basis with no restatement of prior period financial statements.

The new standards and policies are as follows:

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

3. NEWLY ADOPTED ACCOUNTING POLICIES (Continued)

(i) Financial Instruments – Recognition and Measurement

In accordance with this new standard the Company now classifies all financial instruments as either held to maturity, available for sale, held for trading or loans and receivables. Financial assets classified as held to maturity, loans and other receivables and financial liabilities other than those held for trading are measured at amortized cost. Available for sale financial instruments are measured at fair value with unrealized gains and losses recorded in other comprehensive income. Instruments classified as held for trading are measured at fair value with unrealized gains and losses recognized in the income statement for the period.

(ii) Comprehensive Income

The standard introduces the concept of comprehensive income, which consists of net income and other comprehensive income. The Company financial statements now include a Statement of Comprehensive Income, which includes the components of comprehensive income. For the Company, other comprehensive income (“OCI”) is comprised of changes in the foreign currency translation adjustments arising on the consolidation of foreign operations.

Cumulative changes in OCI are included in Accumulated Other Comprehensive Income (“AOCI”), which is presented as a new category within shareholders equity in the Balance Sheet.

(iii) Hedges

The new standard specifies the criteria under which hedge accounting can be applied and how hedge accounting can be executed. As at June 30, 2007 the Company has not designated any hedging relationships.

4. EQUIPMENT

	JUNE 30, 2007			DECEMBER 31
	COST	ACCUMULATED AMORTIZATION	NET BOOK VALUE	2006 NET BOOK VALUE
Computer equipment	\$ 18,757	\$ 4,983	\$ 13,774	\$ 12,429
Office equipment and furniture	25,904	3,470	22,434	19,935
	<u>\$ 44,661</u>	<u>\$ 8,453</u>	<u>\$ 36,208</u>	<u>\$ 32,364</u>

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

5. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

	JUNE 30, 2007	DECEMBER 31 2006
Howell Property, British Columbia	\$ 513,635	\$ 503,107
Crowsnest Property, British Columbia	212,491	202,651
La Virgen/Sanson Property, Mexico	275,952	117,178
Maniema - South Kivu Gold Belt, Congo	378,427	371,822
Kampene - South Kivu Province, Congo	173,770	-
	\$ 1,554,275	\$ 1,194,758

Howell Property, British Columbia

On August 17, 2004, the Company accepted assignment of an option on the Howell property under which the Company can earn a 60% interest in the mineral property by paying cash acquisition costs of \$220,000 over 4 years, issuing 150,000 common shares and incurring exploration expenditures of \$900,000 over 4 years. The property is subject to a 3.0% net smelter returns royalty, 1% of which may be purchased for \$2,000,000. In addition, if the property goes into commercial production, the Company is required to pay a bonus to the royalty holders equal to \$1,000,000 if the mineral reserve is greater than 750,000 ounces, and \$200,000 if the mineral reserve is less than 750,000 ounces.

The expenditure commitments under the option agreement are as follows:

DATE	CASH PAYMENT	SHARES TO BE ISSUED	EXPENDITURE COMMITMENT
On Signing	\$ 2,500 (paid)	20,000 (issued)	\$ -
August 4, 2005	5,000 (paid)	20,000 (issued)	100,000 (incurred)
August 4, 2006	12,500 (paid)	20,000 (issued)	100,000 (incurred)
August 31, 2007	20,000	20,000	100,000 (incurred)
August 4, 2008	180,000	70,000	-
December 31, 2008	-	-	600,000
	\$ 220,000	150,000	\$ 900,000

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

5. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (Continued)

Howell Property, British Columbia (Continued)

	JUNE 30, 2007	DECEMBER 31 2006
Acquisition Costs		
Option payments	\$ 31,520	\$ 31,520
Exploration Costs		
Administration	4,040	4,040
Assays	8,436	3,692
Drilling	103,956	103,956
Engineering	95,654	89,870
Field and camp costs	179,937	179,937
Geophysical costs	76,353	76,353
Reports, maps, fees and licenses	446	446
Travel	13,293	13,293
	482,115	471,587
	\$ 513,635	\$ 503,107

Crowsnest Property, British Columbia

On August 17, 2004, the Company entered into an assignment of an option agreement with respect to the Crowsnest claims under which the Company can earn up to a 60% interest in the claims by paying cash acquisition costs of \$100,000 over 4 years, issuing 150,000 common shares and incurring \$800,000 of exploration expenditures on the claims. The property is subject to a 2% net smelter returns royalty, 1% of which may be purchased for \$1,000,000.

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

5. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (Continued)

Crowsnest Property, British Columbia (Continued)

The expenditure commitments under the option agreement are as follows:

DATE	CASH PAYMENT	SHARES TO BE ISSUED	EXPENDITURE COMMITMENT
On Signing	\$ 10,000 (paid)	20,000 (issued)	\$ -
July 31, 2005	7,500 (paid)	-	-
August 4, 2005	5,000 (paid)	20,000 (issued)	10,000 (incurred)
July 31, 2006	12,500 (paid)	-	-
August 4, 2006	5,000 (paid)	20,000 (issued)	100,000 (incurred)
August 31, 2007	20,000	20,000	100,000
August 4, 2008	40,000	70,000	-
December 31, 2008	-	-	590,000
	\$ 100,000	150,000	\$ 800,000

	JUNE 30, 2007	DECEMBER 31 2006
Acquisition Costs		
Option payments	\$ 54,399	\$ 54,399
Exploration Costs		
Administration	1,854	1,854
Assay costs	10,910	10,910
Engineering	44,149	34,937
Field and camp costs	88,912	88,912
Claim maintenance fees	1,101	1,101
Reports, maps, fees and licenses	1,313	685
Travel	9,853	9,853
	158,092	148,252
	\$ 212,491	\$ 202,651

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

5. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (Continued)

La Virgen/Sanson (formerly Orofino,) Property, Sonora, Mexico

On June 23 and 29, 2006, the Company entered into two option agreements to acquire a 100% interest in the Sanson, El Quelitoso, La Perla and La Virgen claims in Sonora, Mexico. To earn its interest the Company is required to pay cash acquisition costs of US\$1,005,000 over 5 years, issue 1,000,000 shares and incur US\$150,000 expenditures on the claims. The properties are subject to a 1% Net Smelter Return, which may be purchased for US\$1,000,000.

The aggregated expenditure commitments under the option agreements are as follows:

DATE	CASH PAYMENTS US\$	SHARES TO BE ISSUED	EXPENDITURE COMMITMENT US\$
On letter agreement	\$ 20,000 (paid)	-	\$ -
On Signing	35,000 (paid)	100,000 (issued)	-
December 23/29, 2006	30,000 (paid)	-	50,000 (incurred)
June 23/29, 2007	65,000 (paid subsequently)	100,000 (issued subsequently)	100,000 (incurred)
June 23/29, 2008	122,500	200,000	-
June 23/29, 2009	150,000	200,000	-
June 23/29, 2010	200,000	200,000	-
June 23/29, 2011	382,500	200,000	-
	<u>\$ 1,005,000</u>	<u>1,000,000</u>	<u>\$ 150,000</u>

	<u>JUNE 30 2007</u>	<u>DECEMBER 31 2006</u>
Acquisition Costs		
Option payments	<u>\$ 89,138</u>	<u>\$ 89,138</u>
Exploration Costs		
Assay costs	24,003	-
Engineering	141,621	23,336
Field and camp costs	8,052	-
Reports, maps, fees and licenses	3,419	2,657
Transport	7,652	-
Travel	2,067	2,047
	<u>186,814</u>	<u>28,040</u>
	<u>\$ 275,952</u>	<u>\$ 117,178</u>

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007

(Unaudited)

5. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (Continued)

Maniema - South Kivu Gold Belt, Congo

In August 2006 the Company entered into a Memorandum Of Understanding (MOU) with Wa Balengela Kasai-Investments Congo sprl, ("WBKasai or WBK") to explore and develop a contiguous group of 32 exploration licence areas comprising 7010 square kilometres in the southern portion of the Maniema – South Kivu Gold belt in the eastern Congo.

The Memorandum of Understanding gives the Company the right to earn into up to an 80% interest in a proposed joint venture by paying an aggregate of US\$1,500,000, issuing 8,000,000 common shares of the Company to WBK over the first three years of the agreement and expending a minimum of US\$2 million on the property in each of the next five years. Upon completion of a Feasibility Study, the joint venture will convert the licensed areas to a mineral license.

During the exploration period, ownership of the concessions shall remain vested with WBK and will be transferred to the joint venture company on completion of the Feasibility Study as contemplated in the MOU and formal documentation. WBK shall be responsible for assisting the joint venture company with government relations, local liaison and local management and expediting of the projects in the Congo.

On any gold production, the joint venture company shall pay WBK a net smelter returns royalty of 2.5%. The Company has also agreed to pay Finders or Agents fees in respect of the transaction in the amount of 550,000 shares issuable in six instalments, over the first three years of the agreement; prorated and made at the same time as the Company is required to make share payments to WBK.

The Original MOU provided for a 90 day due diligence period during which the Company had the right to conduct due diligence into the terms, conditions, validity and enforceability of WBK's concessions and exploration rights in the Congo. In October 2006, a Congolese-based mining company commenced an action in the British Columbia courts over the Congo acquisition claiming to have a prior agreement with WBK. The Company will be defending the lawsuit and as a consequence of this action, the Company suspended due diligence work and requested that WBK clear title in Congo.

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

5. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (Continued)

Maniema - South Kivu Gold Belt, Congo (Continued)

WBK subsequently applied to the Commercial Court of the Congo to have the protocol between the Congo mining company and WB Kasai dated September 29, 2005 declared invalid. On March 13, 2007, the Commercial Court in Congo found in favour of WBK and against the Congo mining company and declared that the 2005 Protocol was null and void. The Congo mining company has appealed this decision. The Company is now working to complete the acquisition process on these properties under a formal extension to the due diligence process.

DATE	CASH PAYMENT US\$	SHARES TO BE ISSUED	EXPENDITURE COMMITMENT US\$
On Signing of MOU	\$ 75,000 (paid)	-	\$ -
On completion of due diligence and entry into a JV Company	75,000	1,000,000	-
6 months	150,000	1,000,000	-
12 months	150,000	1,000,000	2,000,000
18 months	150,000	1,000,000	-
24 months	200,000	1,000,000	2,000,000
30 months	200,000	1,000,000	-
36 months	500,000	2,000,000	2,000,000
48 months	-	-	2,000,000
60 months	-	-	2,000,000
	<u>\$ 1,500,000</u>	<u>8,000,000</u>	<u>\$ 10,000,000</u>

The expenditure commitments under the option and Joint Venture agreement are as follows:

	MARCH 31 2007	DECEMBER 31 2006
Acquisition Costs		
Option payments	<u>\$ 84,120</u>	<u>\$ 84,120</u>
Exploration Costs		
Assays	3,479	-
Administration	4,714	1,588
Engineering	286,114	286,114
	<u>294,307</u>	<u>287,702</u>
	<u>\$ 378,427</u>	<u>\$ 371,822</u>

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

5. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (Continued)

Kampene - South Kivu Province, Congo

The Company entered into a Lease agreement and option to purchase with Association Miniere du Kivu sprl ("AMIKI") to lease or acquire all of the exploration and mineral rights of AMIKI on the Kampene Project in South Kivu Province in the Democratic Republic of the Congo. The Kampene project covers 34 square kilometres and includes an Exploration Licence and a Small Miners Licence to mine and sell all mineral products from the Licence area. The provisions of the MOU include a term of 10 years renewable as the Code Miniere allows, an annual property rental of US\$100,000 payable in advance, and a 1.5% Net Smelter Returns Royalty ("NSR") on all production. The Company has the option to buy out 100% of the NSR after 5 years for US\$2,000,000.

The expenditure commitments under the lease agreement and option to purchase are as follows:

	JUNE 30	DECEMBER 31
	2007	2006
Acquisition Costs		
Option payments	\$ -	\$ -
Exploration Costs		
Assays	3,479	-
Engineering	52,491	-
Lease payments	117,800	-
	\$ 173,770	-
	\$ 173,770	\$ -

6. SHARE CAPITAL

a) Authorized

Unlimited common shares without par value

b) Issued

i) During the six month period ended June 30, 2007 the Company issued 150,000 common shares for proceeds of \$50,000 on the exercise of stock options.

ii) During the six month period ended June 30, 2007 the Company issued 1,202,500 common shares for proceeds of \$390,750 on the exercise of share purchase warrants.

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

6. SHARE CAPITAL (Continued)

b) Issued (Continued)

On May 15, 2007 the Company closed a non-brokered private placement of 5,070,000 units at a price of \$0.50 per unit for gross proceeds of \$2,535,000. Each unit is comprised of one common share and one half share purchase warrant with each whole share purchase warrant entitling the holder to purchase one common share for a price of \$0.70 per share until May 7, 2008.

In payment for Agent's fees provided in connection with the private placement the Company has paid \$202,800 cash and granted 405,600 Agent's warrants with a fair value of \$115,600. Each Agent's warrant entitles the holder to purchase one common share at \$0.70 until May 7, 2008.

All shares issued as a result of the exercises of warrants or Agent's warrants are subject to a four month hold period which expires September 8, 2007.

The fair value of each Agent's warrant issued is estimated using the Black-Scholes option pricing model with the following assumptions:

	SIX MONTH PERIOD ENDED JUNE 30, 2007	YEAR ENDED DECEMBER 31 2006
Risk free interest rate	4.18	-
Expected life	1 year	-
Expected volatility	100.38%	-
Expected dividend yield	-	-
Weighted average of fair value of options granted	\$ 0.29	\$ -

c) Stock Options

On October 15, 2004, the Company adopted a stock option plan under which it is authorized to grant options to directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company at prices to be determined and for a term not in excess of five years.

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6. SHARE CAPITAL (Continued)

c) Stock Options (Continued)

As at June 30, 2007, options were outstanding for the purchase of common shares as follows:

NUMBER OF SHARES	EXERCISE PRICE PER SHARE	NUMBER EXERCISABLE AT JUNE 30, 2007	EXPIRY DATE
675,000	\$ 0.25	750,000	March 31, 2010
245,000	0.50	245,000	February 8, 2010
250,000	0.50	150,000	March 29, 2012
200,000	0.59	-	April 18, 2012
250,000	0.60	125,000	May 2, 2012

A summary of changes in stock options for the six month period ended June 30, 2007 and the year ended December 31, 2006 is presented below:

	SIX MONTH PERIOD ENDED JUNE 30 2007		YEAR ENDED DECEMBER 31, 2006	
	NUMBER	WEIGHTED AVERAGE EXERCISE PRICE	NUMBER	WEIGHTED AVERAGE EXERCISE PRICE
Balance, beginning of period	775,000	\$ 0.25	-	\$ -
Granted	995,000	0.54	775,000	0.25
Exercised	(150,000)	(0.33)	-	-
Balance, end of period	<u>1,620,000</u>	<u>\$ 0.29</u>	<u>775,000</u>	<u>\$ 0.25</u>

On February 8, 2007 the Company granted options to purchase up to 295,000 common shares at a price of \$0.50 per share exercisable for a period of three years.

On March 29, 2007 the Company granted options to purchase up to 250,000 common shares at a price of \$0.50 per share exercisable for a period of three years.

On April 18, 2007 the Company granted options to purchase up to 200,000 common shares at a price of \$0.59 per share exercisable for a period of five years.

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

6. SHARE CAPITAL (Continued)

c) Stock Options (Continued)

On May 2, 2007 the Company granted options to purchase up to 250,000 common shares at a price of \$0.60 per share exercisable for a period of five years.

During the six month period ended June 30, 2007, the Company recorded \$167,900 (2006 - \$nil) in stock based compensation for options granted and vesting during the period.

The fair value of each option granted is estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions:

	SIX MONTH PERIOD ENDED JUNE 30, 2007	YEAR ENDED DECEMBER 31 2006
Risk free interest rate	0.40	-
Expected life	4.4 years	-
Expected volatility	84.44%	-
Expected dividend yield	-	-
Weighted average of fair value of options granted	\$ 0.36	\$ -

d) Broker Agent Options

A summary of changes in broker agent options for the six month period ended June 30, 2007 and the year ended December 31, 2006 is presented below:

	SIX MONTH PERIOD ENDED JUNE 30, 2007		YEAR ENDED DECEMBER 31, 2006	
	NUMBER	WEIGHTED AVERAGE EXERCISE PRICE	NUMBER	WEIGHTED AVERAGE EXERCISE PRICE
Balance, beginning of period	-	\$ -	394,340	\$ 0.25
Exercised	-	-	(382,580)	(0.25)
Expired	-	-	(11,760)	(0.25)
Balance, end of period	-	\$ -	-	\$ -

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2007
(Unaudited)

6. SHARE CAPITAL (Continued)

d) Broker Agent Options (Continued)

The fair value of each option granted is estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions:

	SIX MONTH PERIOD ENDED JUNE 30, 2007	YEAR ENDED DECEMBER 31 2006
Risk free interest rate	-	-
Expected life	-	-
Expected volatility	-	-
Expected dividend yield	-	-
Weighted average of fair value of options granted	\$ -	\$ -

e) Share Purchase Warrants

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

NUMBER OUTSTANDIN G	EXERCISE PRICE	EXPIRY DATE
1,460,000	\$ 0.60	October 17, 2007
2,940,600	\$ 0.70	May 7, 2008

A summary of changes in share purchase warrants for the six month period ended June 30, 2007 and the year ended December 31, 2006 is presented below:

	SIX MONTH PERIOD ENDED JUNE 30, 2007		YEAR ENDED DECEMBER 31, 2006	
	NUMBER	WEIGHTED AVERAGE EXERCISE PRICE	NUMBER	WEIGHTED AVERAGE EXERCISE PRICE
Balance, beginning of period	2,767,500	\$ 0.47	-	\$ -
Issued	2,940,600	0.70	2,767,500	0.47
Exercised	(1,202,500)	(0.33)	-	-
Expired	(105,000)	(0.30)	-	-
Balance, end of period	4,400,600	\$ 0.67	2,767,500	\$ 0.47

LA QUINTA RESOURCES CORPORATION

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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6. SHARE CAPITAL (Continued)

e) Share Purchase Warrants (Continued)

During the six month period ended June 30, 2007, the Company extended the exercise periods of 957,500 share purchase warrants originally expiring May 10, 2007, and 602,500 share purchase warrants originally expiring April 17, 2007, to October 17, 2007.

7. RELATED PARTY TRANSACTIONS

- a) At June 30, 2007 included in accounts payable is \$15,993 (December 31, 2006 - nil) due to directors and director-controlled companies.
- b) During the six month period ended June 30, 2007, and June 30, 2006 the Company was charged the following amounts by directors and companies with a common director:

	SIX MONTH PERIOD ENDED	
	JUNE 30 2007	JUNE 30 2006
Property investigation costs	\$ 67,714	\$ 35,036
Management fees	82,571	15,000
Professional fees	2,000	3,000
Deferred exploration expenditures	18,970	2,233
	\$ 171,255	\$ 55,269

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

8. COMMITMENTS

- a) The Company's annual minimum future lease payments under a rental agreement expiring in November 2011 are as follows:

12 Months Ended June 30, 2008	\$ 42,380
12 Months Ended June 30, 2009	43,616
12 Months Ended June 30, 2010	45,729
12 Months Ended June 30, 2011	46,612
5 Months Ended November 30, 2011	19,424

LA QUINTA RESOURCES CORPORATION

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8. COMMITMENTS (Continued)

- b) By agreements dated February 1, 2006, the Company entered into two consulting agreements, for a three year period, with companies controlled by directors. Consulting fees, to a maximum of \$10,000 and \$15,000, are payable monthly.
- c) During April 2007, the Company entered into a six month contract for Corporate Communications and Investor Relations Services at a cost of \$5,000 per month.

9. SUBSEQUENT EVENTS

Subsequent to the period end the Company made property option payments of US\$65,000 and issued 100,000 shares pursuant to its property option agreements in Mexico.