

Global Hunter Corp.

Consolidated Financial Statements

Three and six months ended August 31, 2008

(Unaudited – Prepared by management)

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Global Hunter Corp.

Consolidated Balance Sheets

Three and six months ended August 31, 2008

(Unaudited – Prepared by management)

See notes to financial statements

Assets	August 31, 2008	February 29, 2008
Current	(Unaudited)	(Audited)
Cash	\$ 98,800	\$ 132,537
Temporary investment (note 5)	584,997	902,730
Goods and services tax recovered	32,656	51,404
Prepaid expenses	15,789	975
Marketable securities (note 4)	9,000	12,000
	741,242	1,099,646
Exploration advances	1,106,162	545,049
Due from related party (note 6)	1,576	1,576
Equipment (note 7)	39,278	2,486
Mineral properties and deferred exploration costs (note 8)	11,197,931	9,180,009
Deposits	12,170	12,103
	\$ 13,098,359	\$10,840,869

Liabilities

Current

Accounts payable and accrued liabilities	\$ 2,857,642	\$ 1,369,806
Loans payable (note 11)	1,396,670	1,181,305
Due to related parties (note 9)	1,319,532	896,050

5,573,844 **3,447,161**

Share Capital and Deficit

Share capital (note 12)	15,978,274	16,488,399
Share subscriptions receivable (note 12)	(695,000)	(2,045,000)
Contributed surplus (note 12)	2,708,268	2,708,268
Accumulated other comprehensive gain (loss)	(17,000)	(14,000)
Deficit	(10,450,029)	(9,743,959)

7,524,515 **7,393,708**

\$ 13,098,359 **\$10,840,869**

Going concern (Note 1)

Commitment (Note 16)

Approved by the Directors:

"Rod Husband"

Director

"Ray Roland"

Director

Global Hunter Corp.

Consolidated Statements of Operation and Deficit

Three and six months ended August 31, 2008

(Unaudited – Prepared by management)

See notes to financial statements

	2008	2007	2008	2007
	(Three months)	(Three months)	(Six months)	(Six months)
	30-Jun	30-Jun	30-Jun	30-Jun
Expenses				
Accounting and audit	16,060	117	21,164	117
Amortization	-	172	2,486	327
Bank charges and interest	138,911	140,866	260,922	224,066
Consulting	12,134	61,939	46,434	80,964
Legal fees	14,119	116,225	26,516	141,870
Loan bonus	-	152,252	-	273,305
Loss on conversion of foreign currencies	2,740	(11,197)	7,748	(10,572)
Management fees	59,705	49,598	123,099	97,098
Office and miscellaneous	2,925	15,633	8,179	17,075
Rent	30,000	9,000	60,000	18,000
Transfer agent and filing fees	6,396	13,203	10,954	14,659
Travel and promotion	98,106	93,374	151,844	125,650
	381,095	641,182	719,344	982,559
Other expenses (income):				
Interest income	(5,831)	(13,046)	(12,911)	(13,293)
Net loss for the period	\$ 375,263	\$ 628,136	\$ 706,434	\$ 969,266
Deficit, Beginning of period	9,743,595	6,769,651	9,743,595	6,428,521
Deficit, End of Period	\$10,118,858	\$7,397,787.00	\$10,450,029	\$7,397,787.00
Basic Loss per Share	\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.02
Consolidated Statements of Comprehensive Loss				
Other comprehensive income (loss):	(23,000)	(7,000)	(17,000)	(7,000)
Comprehensive loss for the period	(398,263)	(635,136)	(723,434)	(976,266)

Global Hunter Corp.

Consolidated Statement of Cash Flows
Three and six months ended August 31, 2008
(Unaudited – Prepared by management)
See notes to financial statements

	2008 (Three months) 31-Aug	2007 (Three months) 31-Aug	2008 (Six months) 31-Aug	2007 (Six months) 31-Aug
Operating Activities				
Net loss for the period	(\$375,263)	(\$628,136)	(\$706,434)	(\$969,266)
Adjustments:				
Amortization	-	172	-	327
Shares issued for property acquisitions	-	112,875	-	112,875
Shares issued for loan bonus	-	152,252	-	273,305
	(375,263)	(362,837)	(706,434)	(582,759)
Change in non-cash working capital items:				
GST receivable	(23,432)	3,701	18,748	(11,967)
Prepaid expenses	137,042	(44,751)	(14,814)	(140,628)
Accounts payable and accrued liabilities	1,225,286	452,645	1,485,202	619,394
Deposits	(8,170)	-	(67)	-
Exploration advances	(467,018)	(54,568)	(561,113)	(79,568)
Marketable securities	23,000	-	3,000	-
GIC Investment	215,003	-	317,733	-
Due to related parties	61,176	-	215,365	-
	787,624	(5,810)	757,620	(195,528)
Investing Activities				
Purchase of fixed assets	(39,278)	-	(36,792)	-
Mineral properties and deferred exploration costs	(1,298,843)	(2,603,477)	(2,017,922)	(3,467,941)
	(1,338,121)	(2,603,477)	(2,054,714)	(3,467,941)
Financing Activities				
Share capital issued for cash, net of costs	364,875	560,629	839,875	3,057,474
Loan Payable	130,855	67,677	423,482	1,416,762
	495,730	628,306	1,263,357	4,474,236
Increase (Decrease) of Cash	(54,767)	(1,980,981)	(33,737)	810,767
Cash, Beginning of period	153,567	2,792,077	132,537	329
Cash, End of period	\$98,800	\$811,096	\$98,800	\$811,096

Global Hunter Corp.

Consolidated Statements of Deferred Exploration Costs
Three and six months ended August 31, 2008
(Unaudited – Prepared by management)

	Cobre	Rabbit South Properties	Aug. 31, 2008 Total	Cobre	Rabbit South Properties	Feb. 29, 2008 Total
Exploration costs:						
Assays	329	-	329	216,660	17,347	\$234,007
Drilling	-	423,530	423,530	1,522,918	138,396	\$1,661,314
Exploration (Field work)	365,201	1,056	366,257	400,646	13,154	\$413,800
Geological	500,232	65,802	566,034	789,321	52,704	\$842,025
Logistics and support	\$ 543,134	\$ 118,638	661,772	\$ 779,991	\$ 41,951	\$821,942
Recording fees	-	-	0	83,044	-	83,044
Total costs incurred during the year	1,408,896	609,025	2,017,922	3,792,580	263,552	4,056,132
Exploration tax credit	-	-	-	-	(62,945)	(62,945)
Balance, beginning of year	6,218,871	762,712	6,981,583	2,426,291	562,105	2,988,396
	7,627,767	1,371,737	8,999,505	6,218,871	762,712	6,981,583
Write-off of costs related to abandoned mineral properties	-	-	-	-	-	-
Balance, end of year	\$7,627,767	\$1,314,725	\$8,993,505	\$6,218,871	\$ 762,712	\$6,981,583

Global Hunter Corp.

Notes to the Consolidated Financial Statements For the period ending August 31, 2008

1. Nature of Business and Continued Operations

Global Hunter Corp. (the "Company") is incorporated under the laws of British Columbia, Canada and is primarily engaged in the acquisition and development of mineral properties located in Canada and Chile.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The operations of the Company were primarily funded by the issue of share capital and loans from related parties. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties, complete sufficient public equity financing, or generate profitable operations in the future. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business. The Company had the following deficits and working capital (deficiency) as at the following dates:

Date	Deficit	Working Capital (deficiency)
August 31, 2008	\$10,450,028	\$ (4,832,603)
February 29, 2008	\$ 9,743,959	\$ (2,347,515)

2. Significant Accounting Policies

a) Mineral properties and deferred exploration costs

Mineral properties consist of exploration and mining concessions, options and contracts. Acquisition and exploration costs are capitalized and deferred until such time as the property is put into production, or the property is disposed of either through sale or abandonment. If put into production, the costs of acquisition and exploration will be expensed over the life of the property based on estimated economic reserves. Proceeds received from the sale of any interest in a property will be credited against the carrying value of the property, with any excess included in operations for the period. If a property is abandoned, the acquisition and deferred exploration costs will be written off to operations.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry norms for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property may be subject to unregistered prior agreements or inadvertent non-compliance with regulatory requirements.

Management reviews capitalized costs on its mineral properties on an annual basis at the balance sheet date and will recognize impairment in value based upon current exploration results and upon management's assessment of the future probability of profitable revenues from the property or sale of the property.

Global Hunter Corp.

Notes to the Consolidated Financial Statements
For the period ending August 31, 2008

2. Significant Accounting Policies (continued)

a) Mineral properties and deferred exploration costs (continued)

Exploration costs renounced due to Flow-through Share Subscription Agreements remain capitalized, however, for corporate income tax purposes, the Company has no right to claim these costs as tax deductible expenses.

Recorded costs of mineral properties and deferred exploration and development costs are not intended to reflect present or future values of resource properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that changes in future conditions could require a material change in the recognized amount.

Mineral exploration tax credits are accounted for on a cash basis.

b) Asset Retirement Obligations

Asset retirement obligations are recognized for expected obligations related to the retirement of long-lived tangible assets that arise from the acquisition, construction, development or normal operation of such assets. A liability for an asset retirement obligation is recognized in the period in which it is incurred and when a reasonable estimate of the fair value of the liability can be made with the corresponding asset retirement cost recognized by increasing the carrying amount of the related long-lived asset. The asset retirement cost is subsequently allocated in a rational and systematic method over the underlying asset's useful life. The initial fair value of the liability is accreted, by charges to operations, to its estimated future value.

c) Share capital – flow-through shares

The Company provides certain share subscribers with a flow-through component for tax benefits available on qualifying Canadian exploration, development and related provincial grants.

Upon renunciation to the shareholders, the Company reduces share capital and records a temporary future income tax liability for the amount of the tax benefit renounced to shareholders. In instances where the Company has sufficient deductible temporary differences available to offset the future income tax liability created from renouncing qualifying expenditures, the realisation of the deductible temporary differences will be shown as a recovery in income in the period of renunciation.

d) Financial Instruments

As of March 1, 2007 the Company applied on a prospective basis the new recommendations of the Canadian Institute of Chartered Accountants regarding the recognition, measurement and presentation of financial instruments following the release of Sections 1530, -Comprehensive income, -3855, -Financial instruments – recognition and measurement, -3861, -Financial instruments – disclosure and presentation.

i) Financial assets and financial liabilities held for trading

Financial assets and financial liabilities held for trading are acquired or incurred principally for the purpose of selling or repurchasing them in the near term. They are recognized at fair value based on market prices, with any resulting gains and losses reflected in net income for the period in which they arise.

Global Hunter Corp.

Notes to the Consolidated Financial Statements
For the period ending August 31, 2008

2. Significant Accounting Policies (continued)

ii) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has a positive intention and ability to hold to maturity. They are measured at amortized cost using the effective interest rate method less any impairment loss. A gain or loss is recognized in net income when the financial asset is derecognized or impaired, and through the amortization process.

iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale, or that are not classified as loans and receivables, held-to-maturity investments, or held for trading. They are measured at fair value. Fair value is determined based on market prices. Equity instruments that do not have a quoted market price in an active market are measured at cost. Gains and losses are recognized directly in other comprehensive income until the financial asset is derecognized, at which time the cumulative gain or loss previously recognized in accumulated other comprehensive income is recognized in net income for the year.

iv) Loans and receivables and other financial liabilities

Loans and receivables and other financial liabilities are measured at amortized cost, using the effective interest rate method less any impairment loss.

v) Financial Instrument Risks

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities, or significant credit risk, as receivables are due from governments. The Company, during the year ended February 29, 2008, exercised its option and brought the eighty mineral claims, located near La Serena, Chile, into the subsidiary company, Global Hunter Chile Limitada. This now introduces foreign currency transactions and the exposure to foreign exchange risk.

The Company believes it has no liquidity concerns given its current cash reserves. As financial instrument risks are considered minimal the Company has not adopted any formal risk management policies.

e) Comprehensive income

Effective April 1, 2007, the Company adopted the CICA Handbook Section 1530 comprehensive income" which establishes standards for presentation and disclosure of comprehensive income. Comprehensive income is the overall change in the net assets of the Company for a period, other than changes attributable to transactions with shareholders. It is made up of net income and other comprehensive income. The historical make up of net income has not changed. Other comprehensive income includes gains or losses, which GAAP requires to be recognized in a period, but excluded from net income for that period.

Accordingly, the Company now reports a consolidated statement of comprehensive income (loss) and includes the account "Accumulated Other Comprehensive Income" in the shareholders' equity section of the consolidated balance sheet.

Global Hunter Corp.

Notes to the Consolidated Financial Statements
For the period ending August 31, 2008

2. Significant Accounting Policies (continued)

f) Equipment

Equipment is carried at cost less accumulated amortization. Amortization is calculated using the declining balance method at the following annual rate:

Furniture and fixtures	20%
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In the year of acquisition, amortization is recorded at one-half the normal rate.

g) Foreign Currency Translation

Monetary assets and liabilities are translated at year-end exchange rates; other assets and liabilities have been translated at the rate prevailing at the date of the transaction. Revenue and expense items, except for amortization, are translated at the average rate of exchange for the year. Amortization is converted using the rates prevailing at the dates of acquisition. Gains and losses from foreign currency translation are included in the consolidated statement of operations.

h) Stock-based Compensation

The Company has adopted an incentive stock option plan which is described in note 12. All stock-based awards are measured and recognized using the fair-value method as determined by the Black-Scholes option pricing model. Awards that the Company has the ability to settle with stock are recorded as equity, whereas awards that the Company is required to, or has the practice of settling in cash are recorded as liabilities.

i) Loss per Share

Basic loss per share is calculated by dividing the loss for the year by the weighted average number of shares outstanding during the year. Diluted loss per share is calculated using the treasury stock method. Under the treasury stock method, the weighted average number of shares outstanding used in the calculation of diluted loss per share assumes that the deemed proceeds received from the exercise of stock options, share purchase warrants and their equivalents would be used to repurchase common shares of the Company at the average market price during the year.

Existing stock options and share purchase warrants have not been included in the computation of diluted loss per share as to do so would be anti-dilutive. Accordingly, basic and diluted loss per share are the same

j) Share Issue costs

Costs associated with the issuance of share capital are charged directly to share capital.

k) Income taxes

Income taxes are accounted for using the future income tax method. Under this method income taxes are recognized for the estimated income taxes payable for the current year and future income taxes are recognized for temporary differences between the tax and accounting bases of assets and liabilities and for the benefit of losses available to be carried forward for tax purposes that are more likely than not to be realized. Future income tax assets and liabilities are

Global Hunter Corp.

Notes to the Consolidated Financial Statements
For the period ending August 31, 2008

2. Significant Accounting Policies (continued)

measured using tax rates expected to apply in the years in which the temporary differences are expected to be recovered or settled.

l) Use of Estimates

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 balance sheet date and the reported amounts of revenues and expenses during the year. Significant areas requiring the use of management estimates relate to the determination of impairment of resource property interests, the estimated lives of equipment for amortization purposes and the valuation of non-cash share capital transactions. Financial results as determined by actual events could differ from those estimates.

m) Accounting Changes

Effective April 1, 2007, the Company implemented the new CICA Handbook Section 1506 "accounting changes". Under these new recommendations, voluntary changes in accounting policy are permitted only when they result in the financial statements providing reliable and more relevant information. This section requires changes in accounting policy to be applied retrospectively unless doing so is impracticable, requires prior period errors to be corrected retrospectively and requires enhanced disclosures about the effects of change in accounting policies, estimates and error on the financial statements.

These recommendations also require the disclosure of new primary sources of generally accepted accounting principles that have been issued that the company has not adopted because they are not yet in effect.

The impact the adoption of this Section will have on the Company's financial statements will depend on the nature of future accounting changes.

New Accounting Standards Not Yet Adopted

Section 1400, *General Standards of Financial Statement Presentation*

In June 2007, the CICA amended Section 1400 to include requirements to assess an entity's ability to continue as a going concern and disclose any material uncertainties that cast doubt on its ability to continue as a going concern. The mandatory effective date is for annual and interim financial statements for years beginning on or after January 1, 2008. This new requirement will be adopted by the Company effective March 1, 2008. The adoption of this Section will not have an impact on the financial statements.

Capital Disclosures

In December 2006, the CICA issued Handbook section 1535 "Capital disclosures" which is effective for years beginning on or after October 1, 2007. The section specifies the disclosure of (i) an entity's objectives, policies, and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. This new Section will be adopted on March 1, 2008 and relates to disclosures and will not have an impact on the Company's financial results.

Global Hunter Corp.

Notes to the Consolidated Financial Statements For the period ending August 31, 2008

2. Significant Accounting Policies (continued)

Financial Instruments

Section 3862, *Financial Instruments Disclosures*
Section 3863, *Financial Instruments Presentation*

These sections replace Section 3861, *Financial Instruments Disclosure and Presentation*, revising and enhancing disclosure requirements while carrying forward its presentation requirements. These new Sections will place increased emphasis on disclosure about the nature and extent of risk arising from financial instruments and how the entity manages those risks. The mandatory effective date is for annual and interim financial statements for years beginning on or after October 1, 2007 and will be adopted on March 1, 2008.

International Financial Reporting Standards

In January 2006, the CICA Accounting Standards Board (AcSB) adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies are expected to converge with International Financial Reporting Standards ("IFRS") by the end of 2011. The impact of the transition to IFRS on the Company's financial statements has not yet been determined.

3. Principals of Consolidation

The consolidated financial statements include the accounts of Global Hunter Chile Ltda., a wholly-owned subsidiary incorporated in Chile. All significant inter-company accounts and transactions have been eliminated on consolidation.

4. Marketable securities

	August 31, 2008	Feb. 29, 2008
Ballad Gold & Silver Ltd. (200,000 shares, cost \$36,000) (2007 - 200,000 shares, cost 36,000)	\$ 9,000	\$ 12,000

The valuation of the shares has been determined in whole by reference to the closing price of the shares on the TSX Venture Exchange on August 31, 2008. At that date, the closing price was \$0.045 per share.

5. Temporary Investment

The following non-transferable Bank of Montreal guaranteed investment certificate has been classified as financial asset held for trading and is accounted for at fair value.

	Aug. 31, 2008	Feb. 29, 2008
Cashable Guaranteed Investment Certificate due January 29, 2009 at cost plus interest at prime less 2.05%	\$584,996	\$902,730

Global Hunter Corp.

Notes to the Consolidated Financial Statements
For the period ending August 31, 2008

6. Due from Related Party

An amount due from a corporation controlled by the President of the Company is unsecured, non-interest bearing and has no specific terms of repayment, accordingly, the fair value cannot be readily determined.

7. Equipment

				August 31, 2008		
		Cost	Accumulated Amortization	Net Book Value		
Furniture and fixtures	\$	8,371	\$	8,371	\$	-

				February 29, 2008		
		Cost	Accumulated Amortization	Net Book Value		
Furniture and fixtures	\$	8,371	\$	5,761	\$	2,486

Global Hunter Corp.

Notes to the Consolidated Financial Statements
For the period ending August 31, 2008

8. Mineral Properties and Deferred Costs (continued)

	August 31, 2008			Total
	Acquisition Costs (Net of recoveries)	Deferred Exploration and Development Costs	Write- down of Capitalized Costs	
a) La Corona de Cobre Project	\$ 1,880,358	\$ 7,627,728	\$ -	\$ 9,508,126
b) Rabbit South Properties	318,066	1,371,737	-	1,689,303
c) AR Properties	1	-	-	1
d) Auterra Properties	1	-	-	1
	\$2,198,426	\$ 8,993,505	\$ -	\$ 11,197,931

	February 29, 2008			Total
	Acquisition Costs (Net of recoveries)	Deferred Exploration and Development Costs	Write- down of Capitalized Costs	
a) La Corona de Cobre Project	\$1,880,358	\$6,218,871	\$ -	\$8,099,229
b) Rabbit South Properties	318,066	762,712	-	1,080,778
c) AR Properties	1	-	-	1
d) Auterra Properties	1	-	-	1
	\$2,198,426	\$6,981,583	\$ -	\$9,180,009

a) La Corona de Cobre Project

By an Option Agreement dated March 2, 2005, the Company may acquire a 100% interest in seventy-seven mineral claims located near La Serena, Chile for consideration of:

- Cash payments totaling \$782,646 as follows:
 - US \$460,928 on or before December 31, 2005 as repayment of costs (paid);
 - US \$90,000 on or before June 30, 2005 (paid);
 - US \$100,000 on or before October 31, 2005 (paid); and
 - US \$110,000 on or before February 28, 2006 (paid).

Global Hunter Corp.

Notes to the Consolidated Financial Statements For the period ending August 31, 2008

8. Mineral Properties and Deferred Costs (continued)

- Issue 1,000,000 shares of the Company capital stock as follows:
 - 350,000 shares of the Company's capital stock to be issued within ten days of TSX acceptance of the Agreement (issued at a price of \$0.35 per share);
 - 325,000 shares on or before March 2, 2006 (issued at a price of \$0.15 per share); and
 - 325,000 shares on or before March 2, 2007 (issued at a price of \$0.255)
- Incur exploration and development expenditures totaling \$3,500,000 as follows:
 - \$500,000 on or before December 31, 2005 (incurred);
 - \$1,000,000 on or before June 30, 2006 (incurred); and
 - \$2,000,000 on or before June 30, 2007, amended to September 30, 2007 by amendment agreement dated February 25, 2007 (incurred).

During the current year the company acquired by staking an additional seventy-six mineral claims.

b) Rabbit South Properties

By an Option Agreement dated January 26, 2004 (amended February 19, 2007) the Company may acquire a 100% interest (subject to a 3% NSR) in fifteen mineral claims located in British Columbia for consideration of:

- Cash payments totaling \$300,000 as follows:
 - \$ 25,000 on execution of the Agreement (paid);
 - \$ 40,000 on or before January 20, 2005 (paid);
 - \$ 50,000 on or before January 20, 2006 (paid);
 - \$ 50,000 on or before February 27, 2007 (paid);
 - \$ 50,000 on or before January 20, 2008 (paid); and
 - \$ 85,000 on or before January 20, 2009.
- Issue 300,000 shares of the Company's capital stock as follows:
 - 100,000 shares of Company's capital stock to be issued within ten days of TSX acceptance of the Agreement (issued at a price of \$0.09 per share);
 - 100,000 shares on or before January 20, 2005 (issued at a price of \$0.32 per share); and
 - 100,000 shares on or before January 20, 2006 (issued at a price of \$0.25 per share).
- Incur exploration and development expenditures totaling \$1,500,000 as follows:
 - \$200,000 on or before January 20, 2005 (incurred);
 - \$250,000 on or before January 20, 2006 (incurred);
 - \$300,000 on or before June 30, 2007 (incurred);
 - \$375,000 on or before January 20, 2008; and
 - \$375,000 on or before January 20, 2009.

Further consideration includes the payment of advance royalties of \$30,000 per annum commencing November 30, 2008.

Global Hunter Corp.

Notes to the Consolidated Financial Statements
For the period ending August 31, 2008

8. Mineral Properties and Deferred Costs (continued)

The Company may at anytime purchase one third of the 3% NSR for \$1,000,000.

Pursuant to the amendment dated February 19, 2007, an additional 100,000 common shares were issued at a price of \$0.30 per share and \$50,000 was paid to delay the work commitment to June 30, 2007.

c) Whitehorse Properties

By a Letter Agreement dated January 27, 2005, the Company may have acquired a 100% interest (subject to a 3% NSR) in eight mining leases, 16 crown granted mineral claims, and 200 mineral claims located in the Whitehorse Copper Belt, Yukon Territory for consideration of:

- Cash payments totaling \$300,000 on or before February 11, 2007 (\$50,000 paid);
- Issue 1,000,000 shares of the Company's capital stock on or before February 11, 2007 (200,000 shares issued at a price of \$0.25 per share); and
- Incur exploration and development expenditures totaling \$3,500,000 on or before February 11, 2006.

During the year ended February 28, 2007, the management of the Company resolved to abandon this agreement, and accordingly, the related capitalized costs have been written-off to operations.

d) AR Properties

By an Agreement dated September 14, 2000, the Company acquired a right to earn a 70% interest (subject to a 3% net smelter returns royalty ("NSR")) in twenty-five mineral claims located in the Whitehorse Mining Division, Yukon. Prior acquisition costs totaled \$27,500.

During the year ended February 28, 2005, the management of the Company resolved to write-down the value of this project to a nominal value.

e) Auterra Properties

By an Agreement dated January 29, 1998 the Company acquired a 100% interest in twelve Crown granted mineral claims located in British Columbia.

During the year ended February 29, 2004, the management of the Company resolved to write-down the value of this project to a nominal value.

Global Hunter Corp.

Notes to the Consolidated Financial Statements For the period ending August 31, 2008

9. Due to Related Parties

Except as noted below, amounts due to Directors, Officers and corporations controlled by the Directors and Officers are unsecured, non-interest bearing and have no specific terms of repayment, accordingly, fair value cannot be readily determined.

	August 31, 2008	February 29, 2008
Due to a company controlled by a director	\$ 1,111,270	\$ 763,902
Due to other companies with certain common directors	99,667	56,994
Due to directors and officers	108,596	75,154
	<hr/>	<hr/>
	\$1,319,533	\$ 896,050

The Company entered into a Loan Agreement with a corporation controlled by the President of the Company, dated February 19, 2007 in the amount of \$58,560 which is unsecured, due on demand and bears interest at the rate of 1.5% per month compounded monthly. The entire amount of the loan with accrued interest is due no later than February 19, 2009. During the year ended February 29, 2008, a loan bonus equal to 20% of the total dollar amount of the loan was paid by the issue of 419,329 shares at a price of \$0.22 per share.

By a memorandum dated March 1, 2007 the Company agreed to borrow additional amounts at the same terms. During the year ended February 29, 2008 additional \$270,000 were borrowed. As at February 29, 2008 the loan and the accrued interest on the loan amounted to \$ 773,382 and this entire amount is part of due to related parties on the balance sheet.

10. Related Party Transactions

All of the above noted transactions have been in the normal course of operations and are recorded at the exchange amount which is the amount agreed to by the parties.

11. Loans Payable

- a) Effective March 14, 2007, the Company secured funding in the amount of a total of \$546,706 through an unsecured loan, which is due on demand and bears interest at the rate of 1.5% per month compounded monthly. The entire amount of the loan with accrued interest is due no later than March 14, 2009. This loan was repaid during September 2007.

A loan bonus equal to 20% of the total dollar amount of the loan was paid by the issue of 448,334 shares at a price of \$0.27 per share.

- b) The Company entered into a Loan Agreement dated May 25, 2007 in the amount of \$461,263 which is unsecured, due on demand and bears interest at the rate of 1.5% per month compounded monthly. The entire amount of the loan with accrued interest is due no later than

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Notes to the Consolidated Financial Statements For the period ending August 31, 2008

11. Loan Payable (continued)

June 1, 2009. Part of this loan was repaid during September 2007. As at February 29, 2008 the loan and the accrued interest on the loan amounted to \$ 294,715 and this entire amount is part of Loan Payable on the balance sheet.

A loan bonus equal to 20% of the total dollar amount of the loan was paid by the issue of 419,329 shares at a price of \$0.22 per share.

- c) The Company entered into a Loan Agreement dated May 29, 2007 in the amount of \$300,000 which is unsecured, due on demand and bears interest at the rate of 1.5% per month compounded monthly. The entire amount of the loan with accrued interest is due no later than June 1, 2008.

A loan bonus equal to 20% of the total dollar amount of the loan was paid by the issue of 272,727 shares at a deemed price of \$0.22 per share.

By a memorandum dated June 1, 2007 the Company agreed to borrow additional amounts at the same terms. Subsequent to May 29, 2007 additional amounts of were loaned to the company. As at February 29, 2008, the loan and the accrued interest on the loan amounted to \$878,039. This entire amount is part of Loan Payable on the balance sheet.

12. Share Capital

The authorized share capital of the Company consists of unlimited shares without par value.

The Company has issued shares of its capital stock as follows:

	August 31, 2008		February 29, 2008	
	Number of Shares	Amount	Number of Shares	Amount
Balance at beginning of year	70,315,481	\$16,488,399	40,249,424	\$ 7,814,885
Issued during the period for:				
Private placements - cash	-	494,466	22,683,991	7,305,198
Private Placements - subscriptions receivable	3,166,667	475,000	6,816,666	2,045,000
Return to Treasury	(4,500,000)	(1,350,000)	(1,000,000)	(300,000)
Warrants exercised	-	-	-	-
Mineral properties	-	-	425,000	112,875
Bonus shares issued	-	-	1,140,400	273,305
Tax benefit renounced	-	-	-	(258,994)
Share issue (costs) recovery	-	(129,591)	-	(503,870)
Balance at end of the period	68,982,148	\$15,978,274	70,315,481	\$16,488,399

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Notes to the Consolidated Financial Statements For the period ending August 31, 2008

12. Share Capital (continued)

Transactions for the issue of Share Capital During the period ended August 31, 2008

- a) The Company's subscription receivable totaled \$475,000 for 3,166,667 shares at \$0.15 each. Each unit consists of 1 common share and one common share purchase warrant. Each warrant entitles the holder to purchase an additional share from the date of issue until expiry, two years after the date of issue at a price of Cdn \$0.25.
- b) The Company returned 4,500,000 unpaid shares valued at \$0.30 for a total of (\$1,350,000) to treasury on August 29, 2008.

	February 29, 2008		February 28, 2007	
	Number of Shares	Amount	Number of Shares	Amount
Balance at beginning of year	40,249,424	\$ 7,814,885	38,829,424	\$7,548,335
Issued during the period for:				
Private placements - cash	22,683,991	7,305,198	-	-
Private Placements - subscriptions receivable	6,816,666	2,045,000	-	-
Return to Treasury	(1,000,000)	(300,000)	-	-
Warrants exercised	-	-	995,000	148,250
Mineral properties	425,000	112,875	425,000	73,750
Bonus shares issued	1,140,400	273,305	-	-
Tax benefit renounced	-	(258,994)	-	-
Share issue (costs) recovery	-	(503,870)	-	44,550
Balance at end of the period	70,315,481	\$16,488,399	40,249,424	\$7,814,885

Transactions for the issue of Share Capital During the year ended February 29, 2008

- c) The Company issued 448,344 bonus shares at a value of \$0.27 per share in consideration of loans in the amount of \$605,266 and issued additional 692,056 shares at a price of \$0.22 per share in consideration of loans of \$761,263.
- d) The Company issued 100,000 shares at a price of \$0.30 per share for the acquisition of Rabbit South Property described in note 8b.
- e) The Company issued 325,000 shares at a price of \$0.255 per share for the acquisition of the La Corona de Cobre project described in note 8a.
- f) The Company issued 26,167,325 units at a price of \$0.30 per unit pursuant to a private placement. Each unit comprised one share and one-half of one share purchase current. Each whole warrant is

Global Hunter Corp.

Notes to the Consolidated Financial Statements For the period ending August 31, 2008

12. Share Capital (continued)

exercisable to acquire one additional share at a price of \$0.60 per share on or before August 23, 2009, except that in the event the closing price of the Company's shares exceeds \$1.00 for a period of twenty consecutive trading days, at the Company's election, the exercise period will be reduced to 30 days. At February 29, 2008 an amount totaling \$2,045,000 remains in share subscriptions receivable. Subsequent to the placement, 1,000,000 units were returned to treasury.

- g) The Company issued 3,333,332 units at a price of \$0.45 per unit pursuant to a private placement. Each unit comprised one flow-through common share and one-half of one share purchase warrant. Each whole warrant is exercisable to acquire one additional non-flow-through share at a price of \$0.60 per share on or before November 16, 2009.
- h) The Company recorded share issue costs totaling \$258,994 representing income tax benefits renounced in the current year related to the flow-through shares issued.

Transactions for the issue of Share Capital During the year ended February 28, 2007:

- a) The Company issued 995,000 shares for the exercise of warrants as follows: 800,000 shares at a price of \$0.10 per share; and 195,000 shares at a price of \$0.35 per share.
- b) The Company issued 325,000 shares at a price of \$0.15 per share for the acquisition of the La Corona de Cobre project described in note 8a.
- c) The Company issued 100,000 shares at a price of \$0.25 per share for the acquisition of the Rabbit South Property described in note 8b.

Stock Options

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the plan may not exceed ten percent of the issued and outstanding shares of the Company at the relevant time. Options granted under the Plan may have a maximum term of five years. The exercise price of options granted under the Plan will not be less than the discounted market price of the shares (defined as the last closing market price of the Company's shares immediately preceding the grant date, less the maximum discount permitted by TSX Venture Exchange Policy), or such other price as may be agreed to by the Company and accepted by the TSX Venture Exchange. Stock options granted to consultants providing investor relations activities under the Plan are subject to vesting restrictions such that one-quarter of the option shall vest on each of the date grant and three, six and twelve months after the date of grant.

A summary of the status of the Company's stock options as of August 31, 2008 and February 29, 2008 and changes during the years then ended is as follows:

There was no change in the period from March 1, 2008 to August 31, 2008

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Notes to the Consolidated Financial Statements For the period ending August 31, 2008

12. Share Capital (continued)

Stock Options (continued)

At August 31, 2008, the Company had outstanding and exercisable stock options to acquire 6,100,000 shares as follows:

	August 31, 2008		February 29, 2008		Expiry Date
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price	
Options outstanding, beginning of year	1,600,000	\$0.30	2,500,000	\$1.00	January 9, 2011
Granted	4,500,000	0.30	4,500,000	0.30	October 4, 2012
Cancelled	(400,000)	0.30			October 4, 2012
Cancelled			(900,000)	1.00	January 9, 2011
Options outstanding and exercisable, end of period	5,700,000	\$0.30	6,100,000	\$0.30	

During the year ended February 29, 2008, of the 2,500,000 options outstanding at the beginning of the year, 900,000 options were cancelled and the remaining 1,600,000 options were re-priced to \$0.30 per share.

On October 4, 2007 the Company granted a total of 4.5 million options to purchase common shares of the company at a price of \$0.30 to directors, senior officers and consultants of the company and its subsidiaries. The options will be exercisable up to October 4, 2012. During the period 400,000 of these options were cancelled.

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Notes to the Consolidated Financial Statements For the period ending August 31, 2008

12. Share Capital (continued)

Stock Options (continued)

The fair values of options granted and re-priced during the period ended August 31, 2008 and February 29, 2008 was estimated at the grant/re-pricing date using the Black-Scholes option pricing model with the following assumptions:

	2008- New grants	2008 -Re-pricing	2007
Expected annual volatility	138.1%	144.8%	-
Risk-free interest rate	4.3%	4.3%	-
Expected life	5 years	3.25 years	-
Expected dividend yield	0.00%	0.00%	-

Using the above assumptions the aggregate fair value of options granted and re-priced during the period ended August 31, 2008 was \$1,129,997 (February 29, 2008 was \$1,129,997).

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options.

Warrants

On August 31, 2008, the Company had outstanding share purchase warrants exercisable to acquire shares as follows:

	August 31, 2008		February 29, 2008	
	Number	Exercise Price	Number	Expiry Date
Warrants outstanding, beginning of year	12,583,661	\$ 0.60	12,583,661	Aug 23, 2009
Warrants outstanding, beginning of year	1,666,666	0.60	1,666,666	Nov 16, 2009
Granted	-	-	-	-
Cancelled	(3,333,332)	0.60	-	Aug 23, 2009
Warrants outstanding, end of period	10,916,995	-	14,250,327	-

Contributed Surplus

	August 31, 2008	February 29, 2008
Balance, beginning of year	\$2,708,268	\$ 1,578,271
Stock based compensation	-	1,129,997
Balance, end of year	\$ 2,708,268	\$ 2,708,268

Global Hunter Corp.

Notes to the Consolidated Financial Statements For the period ending August 31, 2008

13. Income Taxes

Income tax expense varies from the amount that would be computed from applying the combined federal and provincial income tax rate to loss before taxes as follows:

	February 29, 2008	February 28, 2007
Loss for the year before taxes	\$ (3,574,432)	\$ (860,290)
Statutory Canadian corporate tax rate	33.68%	34.40%
Anticipated tax expense (recovery)	(1,203,869)	(293,359)
Change in tax rates resulting from:		
Effect of tax rate change	260,254	100,572
Difference in tax rates in other jurisdictions	5,046	-
Unrecognized items for tax purposes	384,072	(37,063)
Expiry of non-capital loss carry forwards	63,541	38,959
Tax benefits not recognized	231,962	190,891
Future income tax recovery	\$ (258,994)	\$ -

The significant components of the Company's consolidated future tax assets are as follows:

	February 29, 2008	February 28, 2007
Property, plant and equipment	\$ 1,570	\$ 1,679
Exploration and development deductions	(307,888)	261,793
Non-capital loss carry forwards	1,406,649	749,506
Marketable Securities and miscellaneous	3,120	570
Share issue costs	119,555	26,233
	1,223,006	1,039,781
Valuation allowance	(1,223,006)	(1,039,781)
Net future tax assets	\$ -	\$ -

The Company has available non-capital losses for Canadian income tax purposes which may be carried forward to reduce taxable income in future years. If not utilized the non-capital losses in the amount of \$5,410,188 expire as follows:

2009	\$ 191,700
2010	161,266
2014	221,756
2015	340,641
2026	558,653
2027	751,971
2028	3,184,201
	\$ 5,410,188

Global Hunter Corp.

Notes to the Consolidated Financial Statements For the period ending August 31, 2008

13. Income Taxes (continued)

At February 29, 2008, the Company has consolidated unclaimed resource and other deductions in the amount of \$9,452,804 (2007 - \$5,425,458) which may be deducted against future taxable income on a discretionary basis.

In addition, the Company has share issue costs totaling \$459,828 (2007 - \$84,623) which have not been claimed for income tax purposes.

14. Financial Instruments

The Company has accounts payable at August 31, 2008 period-end of \$332,911 (February 29, 2008 - \$301,852) denominated in U.S. dollars at an exchange rate of \$0.99 (February 29, 2008 – \$0.98).

Global Hunter Corp.

Notes to the Consolidated Financial Statements
For the period ending August 31, 2008

15. Segmented Information

The Company is involved in one industry segment and two geographic segments: Canada and Chile. All expenses are incurred in Canada and all assets are located in Canada except the La Corona de Cobre project which is located in Chile (see note 8).

	Chile	Canada	Total
August 31, 2008			
Equipment	39,278	\$ -	\$ 39,278
Mineral properties, including deferred costs	1,689,803	9,508,128	11,197,931
	\$1,689,803	\$9,508,128	\$11,231,209
February 29, 2008			
Equipment	\$ -	\$ 2,486	\$ 2,486
Mineral properties, including deferred costs	1,965,391	7,214,618	9,180,009
	\$1,965,391	\$7,217,104	\$9,182,495

Revenue and expenses by geographical segment are as follows:

	Chile	Canada	Total
February 29, 2008			
Interest and miscellaneous income	\$ -	\$(26,087)	\$(26,087)
Expenses	\$ 30,252	3,570,267	3,600,519
	\$ 30,252	\$3,544,180	\$3,574,432
February 28, 2007			
Interest income	\$ -	\$ (872)	\$ (872)
Expenses	-	866,374	866,374
	\$ -	\$ 865,502	\$ 865,502

16. Commitment

The Company entered into flow-through share subscription agreements during the year ended February 29, 2008 totalling \$1,500,000, whereby it is committed to incur on or before December 31, 2008, a remaining balance of \$1,424,221 of qualifying Canadian Exploration Expenses as described in the Income Tax Act of Canada. Commencing March 1, 2009, the Company is liable to pay a tax of approximately 7% per annum, calculated monthly on the unspent portion of the commitment.