

CERES CAPITAL CORP.
INTERIM FINANCIAL STATEMENTS
March 31, 2008
(Unaudited - Prepared by Management)

National Instrument 51-102 Notice.

The financial statements of Ceres Capital Corp. (the "Company") as at March 31, 2008 have been compiled by management and approved by the Company's Board of Directors.

These financial statements have not been reviewed or audited on behalf of the shareholders by the Company's independent external auditors, RSM Richter (Calgary) LLP.

Ceres Capital Corp.

Balance Sheets

March 31, 2008

(Unaudited - Prepared by Management)

	(Unaudited) March 31, 2008	(Audited) December 31, 2007
Assets		
Current		
Cash in trust	\$ 1,540,580	\$ 1,534,811
Accounts receivable	<u>3,870</u>	<u>4,876</u>
	<u>\$ 1,544,450</u>	<u>\$ 1,539,687</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	<u>\$ 39,473</u>	<u>\$ 34,502</u>
Shareholders' equity		
Share capital (Note 4)	1,455,042	1,455,042
Contributed surplus	250,922	250,922
Deficit	<u>(200,987)</u>	<u>(200,779)</u>
	<u>1,504,977</u>	<u>1,505,185</u>
	<u>\$ 1,544,450</u>	<u>\$ 1,539,687</u>

See accompanying notes

APPROVED ON BEHALF OF THE BOARD

Signed "Bohdan Romaniuk"

Signed "Ronald Allen"

Ceres Capital Corp.

Statements of Loss and Deficit

For the Three Month Period Ended March 31, 2008

(Unaudited - Prepared by Management)

	(Unaudited) Three Months Ended March 31, 2008	(Unaudited) Three Months Ended March 31, 2007
Interest income	\$ 10,650	\$ 9,753
Expenses		
General and administrative	<u>10,858</u>	<u>9,829</u>
Net loss and comprehensive loss for the period	(208)	(76)
Deficit beginning of period	<u>(200,779)</u>	<u>(183,350)</u>
Deficit end of period	<u>\$ (200,987)</u>	<u>\$ (183,426)</u>
Loss per share		
Basic	<u>\$ NIL</u>	<u>\$ NIL</u>
Diluted	<u>\$ NIL</u>	<u>\$ NIL</u>
Weighted average number of shares outstanding	<u>10,261,250</u>	<u>10,253,500</u>

See accompanying notes

Ceres Capital Corp.

Statements of Cash Flows

For the Three Month Period Ended March 31, 2008

(Unaudited - Prepared by Management)

	(Unaudited) Three Months Ended March 31, <u>2008</u>	(Unaudited) Three Months Ended March 31, <u>2007</u>
Operating activities		
Net loss and comprehensive loss for the period	\$ (208)	\$ (76)
Deferred organization expense, expensed		604
Change in non-cash working capital (Note 5)	<u>5,977</u>	<u>(8,413)</u>
	5,769	(7,885)
Financing activities		
Issuance of shares	<u> </u>	<u>2,250</u>
Increase (decrease) in cash for the period	5,769	(5,635)
Cash in trust - beginning of period	<u>1,534,811</u>	<u>1,526,611</u>
Cash in trust - end of period	<u>\$ 1,540,580</u>	<u>\$ 1,520,976</u>

See accompanying notes

Ceres Capital Corp.

Notes to Financial Statements

March 31, 2008

(Unaudited - Prepared by Management)

1. Nature of operations and going concern

Ceres Capital Corp. ("Ceres" or the "Company"), incorporated under the Business Corporation Act (Alberta) on June 5, 2006, is classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange Inc. (the "Exchange"). The principal business of the Company is to identify and evaluate assets or businesses with a view to potentially acquiring them or an interest therein as a result of the closing of a purchase transaction, the exercising of an option or any concomitant transaction. The purpose of such an acquisition is to satisfy the related conditions of a qualifying transaction ("Qualifying Transaction") under the Exchange rules.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles applied on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of assets or businesses, or an interest therein. Such an acquisition will be subject to the approval of the regulatory authorities concerned, and, in the case of a non-arm's length transaction, of the majority of the minority shareholders. The Exchange may suspend from trading or delist the common shares of the Company should it not carry out a qualifying transaction within 24 months of the date of listing on the Exchange. The 24 month period for carrying out a qualifying transaction expires on November 27, 2008.

2. Accounting policies

The interim financial statements for the three month period ended March 31, 2008 should be read in conjunction with the audited financial statements for Ceres Capital Corp. as at December 31, 2007. These interim financial statements are presented following the same accounting policies and methods of computation that were used in the audited financial statements of the Company for the year ended December 31, 2007 statements except for the changes in accounting policies described in note 3. Notes to these interim financial statements are provided with regulatory disclosure requirements. Disclosures that are normally required in the notes to the annual financial statements have been condensed or omitted in the notes to these interim financial statements.

3. Changes in accounting policies

Effective January 1, 2008, the Company adopted the following policies.

Capital disclosures

CICA Handbook Section 1535, Capital disclosures - requires disclosure of an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital and whether the entity has complied with any capital requirements and, if it has not complied, the consequences of such non-compliance. The Company's management strategy is outlined in Note 7 to the financial statements.

Financial instruments disclosures

CICA Handbook Section 3862, Financial instruments disclosures - requires disclosures that will enable users to evaluate the significance of financial instruments for an entity's financial position and performance, including disclosures about fair value. In addition, disclosure is required of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about liquidity risk and market risk. The quantitative disclosures must also include a sensitivity analysis for each type of market risk to which an entity is exposed, showing how net income and other comprehensive income would have been affected by reasonably possible changes in relevant risk variable. The adoption of this policy did not have a material impact on the Company's financial statements.

Financial instruments presentation

CICA Handbook Section 3863, Financial instruments presentation - discloses where each class of financial assets and financial liabilities and its related interest income or expense, and gains and losses, are reported in the balance sheet, income statement and cash flows statement. The adoption of this policy did not have a material impact on the Company's financial statements.

General Standard on financial statements presentation

CICA Handbook Section 1400, General Standards on financial statement presentation, includes 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 adoption of this policy did not have a material impact on the Company's financial statements.

4. Share capital

(a) Authorized:

Unlimited number of common shares
Unlimited number of preferred shares, conditions to be determined

(b) Issued:

	March 31, 2008		December 31, 2007	
	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>
Common shares	<u>10,261,250</u>	<u>\$1,455,042</u>	<u>10,261,250</u>	<u>\$1,455,042</u>

Escrowed shares

At March 31, 2008 and December 31, 2007 3,500,000 issued and outstanding shares were in escrow pursuant to the requirements of the TSX Venture Exchange. Upon issuance of the final Exchange bulletin subsequent completion of the Qualifying Transaction, 10% of the escrowed securities will be released immediately and thereafter 15% of the escrowed securities will be released at the completion of each six month period.

Stock option plan

The Company maintains a Stock Option Plan (the "Plan") for directors and officers, employees and consultants of the Company. Each option entitles the holder to acquire one share of the Company. The total number of common shares reserved under option for issuance under the Plan may not exceed 10% of the issued and outstanding common shares. Stock options granted under the Plan may not be outstanding for a period of more than five years.

The Company records compensation expense when stock options are issued to directors, officers, employees, and consultants. The fair value of stock options is determined at the date of the grant and this amount is charged to earnings over the vesting period of the options.

Agent options

On November 21, 2006, the Company granted Northern Securities Inc. (the "Agent") a non-transferable option to purchase 607,500 common shares of the Company. The Agent's option is exercisable at a price of \$0.20 per share for a period of 24 months from November 27, 2006 being the date the common shares were listed on the Exchange.

	March 31, <u>2008</u>	March 31, <u>2007</u>
5. Change in non-cash working capital		
Accounts receivable	\$ 1,006	\$ 1,281
Accounts payable and accrued liabilities	<u>4,971</u>	<u>(9,694)</u>
	<u>\$ 5,977</u>	<u>\$ (8,413)</u>

6. Financial instruments

Fair value

Cash in trust, accounts receivable and accounts payable and accrued liabilities are all short-term in nature and as such, their carrying values approximate fair values.

Interest rate risk

The Company is exposed to interest rate risk arising from fluctuations in the interest rate on cash in trust.

7. Capital management

The Company's capital consists of share capital. The Company's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete a purchase of assets or businesses.

8. Subsequent event

Effective May 20, 2008, the Corporation entered into a letter of intent to acquire all of the shares of a private Alberta company, which transaction is intended to constitute the Corporation's "qualifying transaction". The Corporation will issue a detailed press release disclosing all material terms of the transaction once the same has been approved by the TSX Venture Exchange.