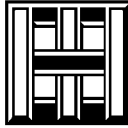

DENTONIA RESOURCES LTD.
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED
MAY 31, 2005 AND 2004
(Unaudited - see Notice to Reader)



MANNING ELLIOTT
CHARTERED ACCOUNTANTS

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NOTICE TO READER

We have compiled the balance sheet of Dentonia Resources Ltd. as at May 31, 2005 and the statements of operations and deficit, and cash flows for the periods then ended from information provided by management. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

Manning Elliott

CHARTERED ACCOUNTANTS

Vancouver, British Columbia

July 13, 2005

DENTONIA RESOURCES LTD.
CONSOLIDATED BALANCE SHEETS

(Unaudited - see Notice to Reader)

	As at May 31, 2005 \$	As at August 31, 2004 \$
ASSETS		
CURRENT ASSETS		
Cash	796,337	224,566
Accounts receivable	6,015	761
Prepaid expenses	<u>10,307</u>	<u>2,117</u>
	812,659	227,444
CAPITAL ASSETS (Note 5)	8,447	2,736
MINERAL PROPERTIES (Note 4)	<u>164,036</u>	<u>74,995</u>
	<u>985,142</u>	<u>305,175</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	<u>7,492</u>	<u>6,748</u>
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (Note 6)	8,660,700	7,770,170
CONTRIBUTED SURPLUS (Note 6)	64,012	28,200
DEFICIT	<u>(7,747,062)</u>	<u>(7,499,943)</u>
	<u>977,650</u>	<u>298,427</u>
	<u>985,142</u>	<u>305,175</u>

APPROVED BY THE BOARD

"Adolf A. Petancic" Director

"H. Martyn Fowlds" Director

DENTONIA RESOURCES LTD.**CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT****FOR THE PERIODS ENDED MAY 31, 2005 AND 2004**(Unaudited - see Notice to Reader)

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2005	2004	2005	2004
			\$	\$
GENERAL EXPENSES				
Accounting and legal	25,186	5,700	40,311	5,700
Amortization	593	198	1,445	594
Bank charges and interest	132	58	323	450
Consulting fees	5,261	-	20,011	-
Exchange loss (gain)	-	-	65	18
Finder's fee	-	-	1,750	1,750
Office and miscellaneous	3,062	890	19,450	4,866
Rent	3,521	1,742	10,026	5,216
Shareholder and public relations	9,649	328	31,853	10,200
Stock based compensation	1,875	24,000	3,750	24,000
Telephone and communications	1,617	363	3,964	1,373
Transfer agent and filing fees	6,688	1,351	16,572	6,564
Wages and benefits	<u>36,071</u>	<u>20,847</u>	<u>94,649</u>	<u>67,026</u>
	93,655	55,477	244,169	127,757
OTHER INCOME (EXPENSES)				
Expense recoveries	-	7,413	392	7,580
Equity investment losses	-	-	(5,000)	-
Interest	<u>1,658</u>	<u>-</u>	<u>1,658</u>	<u>-</u>
	<u>1,658</u>	<u>7,413</u>	<u>(2,950)</u>	<u>7,580</u>
NET LOSS FOR THE PERIOD	(91,997)	(48,064)	(247,119)	(120,177)
DEFICIT - BEGINNING OF PERIOD	<u>(7,655,065)</u>	<u>(7,415,749)</u>	<u>(7,499,943)</u>	<u>(7,343,636)</u>
DEFICIT - END OF PERIOD	<u>(7,747,062)</u>	<u>(7,463,813)</u>	<u>(7,747,062)</u>	<u>(7,463,813)</u>
BASIC LOSS PER SHARE				
	<u>(0.01)</u>	<u>(0.01)</u>	<u>(0.01)</u>	<u>(0.01)</u>

DENTONIA RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED MAY 31, 2005 AND 2004

(Unaudited - see Notice to Reader)

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2005	2004	2005	2004
	\$	\$	\$	\$
CASH FROM (USED IN):				
OPERATING ACTIVITIES				
Net loss for the period	(91,997)	(48,064)	(247,119)	(120,177)
Items not involving cash				
Amortization	593	198	1,445	594
Equity investment losses	-	-	5,000	-
Stock-based compensation	1,875	24,000	5,500	26,450
	(89,529)	(23,866)	(235,174)	(93,133)
Change in non-cash working capital items	(30,174)	7,361	(12,699)	12,751
	<u>(119,703)</u>	<u>(16,505)</u>	<u>(247,873)</u>	<u>(80,382)</u>
FINANCING ACTIVITIES				
Capital stock issued	4,000	17,000	920,841	93,000
INVESTING ACTIVITIES				
Expenditures on mineral properties	(31,798)	-	(89,041)	(37,457)
Acquisition of capital assets	(7,156)	-	(7,156)	-
Increase in investments and advances	-	-	(5,000)	-
	<u>(38,954)</u>	<u>-</u>	<u>(101,197)</u>	<u>(37,457)</u>
INCREASE (DECREASE) IN CASH	(154,657)	495	571,771	(24,839)
CASH - BEGINNING OF PERIOD	950,994	5,718	224,566	31,052
CASH - END OF PERIOD	<u>796,337</u>	<u>6,213</u>	<u>796,337</u>	<u>6,213</u>

DENTONIA RESOURCES LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIODS ENDED MAY 31, 2005 AND 2004

(Unaudited - see Notice to Reader)

1. NATURE OF OPERATIONS

The Company is in the business of acquiring and exploring mineral properties. There has been no determination whether properties held contain mineral reserves which are economically recoverable.

The recoverability of valuations assigned to mineral properties is dependent upon the discovery of economically recoverable reserves, the ability to obtain necessary financing to complete development, and future profitable production or proceeds from disposition.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared on the assumption that the Company is a going concern. The ability of the Company to continue as a going concern is dependent on its ability to obtain necessary financing to discharge its liabilities as they become due, and upon attaining future profitable operations.

Because a precise determination of certain assets and liabilities is dependent on future events, the preparation of the financial statements involves the use of estimates based on careful judgement and actual results may differ from such estimates.

These financial statements have, in management's opinion, been prepared within reasonable limits of materiality using the significant accounting policies noted below:

a) Presentation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Northernera Diamonds Inc.

b) Investments

The investment in DHK Resources Ltd. is recorded using the equity method of accounting.

c) Capital assets

Capital assets are stated at cost less accumulated amortization, which is recorded over the useful lives of the assets on the declining balance basis at the following annual rates:

Computer	30%
Furniture and fixtures	20%

d) Income taxes

The Company uses the liability method for recording income taxes and records future income tax liabilities and assets for temporary differences between the tax basis of an asset or liability and its carrying amount on the balance sheet, using tax rates anticipated to apply in the periods that the differences are expected to reverse.

e) Mineral properties

Costs relating to the acquisition and exploration of mineral properties are deferred until the properties are placed into commercial production, sold, or abandoned. These costs are to be amortized over the estimated useful life of the property following commencement of production, or written off as properties are sold or abandoned.

DENTONIA RESOURCES LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIODS ENDED MAY 31, 2005 AND 2004

(Unaudited - see Notice to Reader)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Stock-based compensation

The Company uses the fair value method to recognize options granted. Accordingly, all stock-based payments are measured at the fair value of the equity instruments issued on the date of grant. The fair value of stock-based payments is periodically re-measured until counter-party performance is complete, and any change therein is recognized over the period and in the same manner as if the Company had paid cash instead of paying with or using equity instruments. The cost of stock-based payments that are fully vested and non-forfeitable at the grant date is measured and recognized at that date.

g) Foreign currency translation

Transactions and balances in currencies other than the Canadian dollar are translated using the temporal method. Accordingly revenue, expenses and non-monetary balances are translated at the rate of exchange prevailing at the transaction dates, and monetary balances are translated at the rate prevailing at the balance sheet date with resulting exchange gains and losses being included in the determination of income.

h) Loss per share

The Company uses the treasury stock method for the calculation and presentation of both basic and diluted loss per share.

i) Fair market value of financial instruments

The carrying value of cash, accounts receivable and accounts payable approximate fair market value because of the short maturity of those instruments.

j) Interim financial statements

These interim unaudited financial statements have been prepared on the same basis as the annual financial statements and, in the opinion of management reflect all normal recurring adjustments necessary to present fairly the Company's financial position, results of operations and cash flows for the periods shown. The results of operations for such periods are not necessarily indicative of the results expected for a full year or for any future period.

3. INVESTMENTS AND ADVANCES

The Company owns a one-third interest in DHK Resources Ltd. ("DHK"), a Northwest Territories corporation which has various interests in potentially diamond bearing mineral claims in the Lac de Gras area of the Northwest Territories.

The investment has been written down to \$nil as a result of recognizing the proportionate share of the losses of DHK.

DENTONIA RESOURCES LTD.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE PERIODS ENDED MAY 31, 2005 AND 2004**(Unaudited - see Notice to Reader)

4. MINERAL PROPERTIES

	May 31, 2005 \$	August 31, 2005 \$
Tintina Gold Belt - HY property	37,491	7,313
Tintina Gold Belt - ELF property	14,053	13,423
Lac de Gras, Northwest Territories	7,594	-
Pellatt Lake	14,800	14,800
Atkinson Gold Prospect	75,391	39,459
Thomlinson Creek Property	<u>14,707</u>	<u>-</u>
	<u>164,036</u>	<u>74,995</u>

Tintina Gold Belt, Yukon Territories

Pursuant to an Option Agreement dated September 4, 2003 (amended October 14, 2004 and March 18, 2005), the Company acquired the right to obtain a 100% interest in 56, two-post mineral claims (the "HY property"), located north of the Hyland River, approximately 185km north of Watson Lake, within the Tintina Gold Belt, southeastern Yukon, Watson Lake Mining District. 48 claims are recorded in the name of Phelps Dodge Corporation of Canada, and 8 claims, staked by the Company at its own cost, are held in trust by a director of the Company. All of these claims are subject to the terms of the Option Agreement.

Pursuant to the agreement, the Company has paid \$17,491 in staking costs, consulting fees and other expenditures and must complete a \$100,000 work commitment in the first year and a total \$750,000 work commitment by March, 2011. The Company is also required to make cash payments totalling \$110,000 in stages over the next 6 years (\$20,000 paid).

The Company has also staked for its own and sole account, 6, two-post mineral claims (the "ELF property") located 175km northeast of Watson Lake, within the Tintina Gold Belt.

Lac de Gras, Northwest Territories

The Company, through its 1/3 equity position in DHK Diamonds Inc., holds, indirectly, pursuant to a Joint Venture Agreement dated December 6, 2002, interests in 3 mineral leases, which are recorded in the name of BHP Billiton Diamonds Inc.

Pellatt Lake, Northwest Territories

The Company has staked for its own and sole account 7 mineral claims and holds, indirectly, through its 1/3 equity position in DHK Diamonds Inc., an interest in another 6 mineral claims at Pellatt Lake, Northwest Territories.

Atkinson Gold Prospect

The Company has entered into an agreement to obtain a 100% interest in 5 claim groups referred to as the Atkinson Gold Prospect, in the Porcupine Mining District, Ontario. Pursuant to the agreement, the Company has issued 150,000 shares and paid \$60,391 in staking costs, engineering fees and other expenditures and must complete a \$350,000 work commitment by May 1, 2006. The Company is also required to make cash payments totalling \$990,000 in stages over the next 10 years.

DENTONIA RESOURCES LTD.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE PERIODS ENDED MAY 31, 2005 AND 2004**(Unaudited - see Notice to Reader)

4. MINERAL PROPERTIES (continued)

Thomlinson Creek Property

The Company has entered into an Option Agreement to acquire a 100% interest in certain mineral claims located in the Omineca mining division of British Columbia. Pursuant to the agreement, the Company has paid \$4,707 of a \$30,000 work commitment to be completed by February 25, 2006, and must pay to the Optionors a total of \$1,015,000 over the next 10 years (\$10,000 paid).

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	May 31, 2005 Net Book Value	August 31, 2004 Net Book Value
	\$	\$	\$	\$
Computer	24,076	17,439	6,637	607
Furniture and fixtures	<u>23,245</u>	<u>21,435</u>	<u>1,810</u>	<u>2,129</u>
	<u>47,321</u>	<u>38,874</u>	<u>8,447</u>	<u>2,736</u>

6. CAPITAL STOCK

Authorized:

100,000,000	Common shares without par value
10,000,000	Class A preferred shares without par value

Issued:

	#	\$
August 31, 2003	17,112,208	7,390,070
Directors' options exercised	930,000	93,000
Acquisition of mineral property	150,000	15,000
Private placement	<u>4,535,000</u>	<u>272,100</u>
August 31, 2004	22,727,208	7,770,170
Private placement	1,680,000	100,800
Private placement - flow-through shares	2,584,734	387,710
Private placement - non-flow-through shares	3,257,102	463,215
Agent's commission	150,000	22,500
Warrants exercised	850,000	85,000
Share issue costs	-	<u>(168,695)</u>
May 31, 2005	<u>31,249,044</u>	<u>8,660,700</u>

a) Private placements:

In 2004, the Company issued 4,535,000 units at \$0.06 per unit for proceeds of \$272,100. Each unit consisted of one common share and one non-transferable share purchase warrant exercisable at \$0.10 per share to September 7, 2005 and at \$0.20 per share after September 7, 2005 to September 7, 2006.

DENTONIA RESOURCES LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIODS ENDED MAY 31, 2005 AND 2004

(Unaudited - see Notice to Reader)

6. CAPITAL STOCK (continued)

a) Private placements (continued):

In October 2004, the Company completed a non-brokered private placement of 1,680,000 units at \$0.06 per unit for total proceeds of \$100,800. Each unit consisted of one common share and one non-transferable share purchase warrant exercisable at \$0.10 per share to October 7, 2005 and at \$0.20 per share after October 7, 2005 to October 7, 2006.

In December 2004, the Company completed a non-brokered private placement of 976,666 flow-through units at \$0.15 per unit and 845,000 non-flow-through units at \$0.12 per unit for total proceeds of \$247,900. Each unit consists of one share and one non-transferable share purchase warrant exercisable at \$0.16 for the flow-through shares and at \$0.13 for the non-flow-through shares, expiring December 29, 2005.

Also in December 2004, the Company completed a brokered private placement of 804,034 units at \$0.75 per unit. Each unit consists of 3 non-flow-through common shares, two flow-through common shares and one non-transferable common share purchase warrant. Each warrant entitles the holder to purchase an additional common share of the Company until February 28, 2007, at a price of \$0.20 per share on or before February 28, 2006, and at a price of \$0.30 per share on or before February 28, 2007.

In relation to this private placement, the Company paid a cash commission equal to 7.5% of the gross proceeds raised, issued 104,524 Agent's options, issued 150,00 common shares as a corporate finance fee, and paid a finder's fee of 5% of the gross proceeds. Each Agent's option is exercisable at \$0.75 per Agent's Unit and will be comprised of five shares and one warrant. Each Agent's warrant entitles the holder to purchase an additional share at a price of \$0.20 per share in the first year and \$0.30 per share in the second year.

b) Options:

The Company has implemented a stock option plan (the "Plan") to grant options to directors, senior officers, employees, dependent contractors and consultants of the Company. The Plan reserves for issuance up to 10% of the issued and outstanding share capital of the Company from time to time, and provides that it is solely within the discretion of the Board to determine who should receive options and in what amounts. Options granted under the Plan will be for a term not to exceed 5 years from the date of their grant and will be exercisable at a price not less than the Discounted Market Price.

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, August 31, 2004	1,665,000	\$ 0.10
Granted	<u>354,524</u>	<u>0.29</u>
Balance, May 31, 2005	<u>2,019,524</u>	<u>\$ 0.13</u>
Weighted average fair value of options granted		<u>\$ 0.05</u>

Of the options outstanding, 2,019,524 are currently exercisable and have expiry dates ranging from January 22, 2006 to March 27, 2007.

DENTONIA RESOURCES LTD.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE PERIODS ENDED MAY 31, 2005 AND 2004**

(Unaudited - see Notice to Reader)

6. CAPITAL STOCK (continued)**c) Stock-based compensation**

During the period ended May 31, 2005, the Company issued 250,000 (2004 - 910,000) stock options to directors and consultants and issued 104,524 to agents. As a result \$3,750 (2004 - \$28,200) has been recorded as stock-based compensation, \$30,312 has been recorded as share issue costs, and \$34,062 has been credited to contributed surplus. The fair value of each option granted is estimated on the grant date using the Black-Scholes option pricing model. The assumptions used in calculating fair value are as follows:

Risk-free interest rate	2.77% to 2.89%
Expected life of options	2 - 3 years
Expected volatility	50%
Expected dividend yield	0.0%

d) Warrants

Warrants have been granted and are exercisable in whole or in part until expiry allowing the holders to purchase a maximum of 7,990,700 common shares at exercise prices ranging from \$0.10 to \$0.30 and expiring between September 7, 2005 and February 28, 2007.

7. RELATED PARTY TRANSACTIONS

Included in the determination of net loss for the period are salaries and fees to a director recorded at their exchange amounts of \$45,500 (2004 - \$35,000), and stock based compensation to directors recorded at their fair values of \$3,750 (2004 - \$nil). Also, included in mineral properties are fees paid to a director recorded at the exchange amount of \$12,000 (2004 - \$nil).

8. LOSSES CARRIED FORWARD

The Company has approximately \$1,030,000 in non-capital losses which can be applied to reduce future taxable income, expiring as follows:

	\$
2005	242,000
2006	201,000
2007	144,000
2008	122,000
2009	105,000
2010	60,000
2011	156,000

Cumulative Canadian Development and Exploration Expenses of approximately \$1,766,000 are available to reduce future taxable income.

Net capital losses which can be applied to reduce future taxable gains amount to \$304,000.