Interim Consolidated Financial Statements of

ROCKY MOUNTAIN RESOURCES CORP.

For the six months ended August 31, 2008

Management's Comments On Unaudited Financial Statements

The accompanying unaudited interim consolidated financial statements of Rocky Mountain Resources Corp. (the "Company") for the six months ended August 31, 2008 have been prepared by management and approved by the Board of Directors of the Company.

These unaudited interim consolidated financial statements have not been reviewed by the Company's external auditors.

Rocky Mountain Resources Corp.

Interim Consolidated Balance Sheets

(Unaudited - Prepared by Management)

	August 31 2008	February 29 2008
ASSETS		
Current assets:		
Cash	$ 1,108,179	2,215,100
Amounts receivable	11,317	30,826
Prepaid expenses	13,385	5,020
	1,132,881	2,250,946
Equipment (Note 3)	41,358	5,495
Reclamation bond	44,290	11,521
Mineral properties (Note 4)	675,748	437,570
	$ 1,894,277	2,705,532
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 138,358	65,584
Shareholders' equity:		
Share capital (Note 5)	4,257,228	4,224,531
Contributed surplus	376,180	320,504
Deficit	(2,877,489)	(1,905,087)
	1,755,919	2,639,948
	$ 1,894,277	2,705,532

See accompanying notes to consolidated financial statements.

Approved on behalf of the Board:

Signed: "Brian J. McAlister" Director

Signed: "Brian E. Bayley" Director

Rocky Mountain Resources Corp.

Interim Consolidated Statements of Loss and Deficit

(Unaudited - Prepared by Management)

	Three months ended August 31		Six months ended August 31	
	2008	2007	2008	2007
Mineral property expenditures (Note 4(b))	$ 277,026	356,713	515,060	480,203
Expenses:				
Audit and legal	16,162	9,707	49,033	24,331
Consulting	4,653	-	7,267	-
Depreciation	2,861	330	3,862	683
Investor relations	20,745	1,420	20,745	1,420
Office and sundry	9,953	3,311	21,307	4,661
Office facilities and administrative services	15,846	8,920	28,901	16,733
Salaries and benefits	69,407	10,621	213,520	22,926
Shareholder information	1,718	-	3,750	-
Stock-based compensation	35,023	-	64,023	-
Transfer agent, listing and filing fees	3,988	1,050	15,515	3,435
Travel	8,978	1,238	35,272	1,295
	189,334	36,597	463,195	75,484
Other (income) expenses:				
Interest income	(7,603)	(6,262)	(20,394)	(16,723)
Foreign exchange	(43,581)	20,513	(56,018)	18,110
Property review costs	4,915	28,279	6,092	52,323
Mineral properties abandoned	64,467	-	64,467	-
	18,198	42,530	(5,853)	53,710
Net loss and comprehensive loss for the period	484,558	435,840	972,402	609,397
Deficit, beginning of period	2,392,931	648,580	1,905,087	475,023
Deficit, end of period	$ 2,877,489	1,084,420	2,877,489	1,084,420
Basic and diluted loss per share	$ 0.03	0.04	0.07	0.05
Weighted average number of common shares outstanding	14,565,936	11,729,000	14,557,943	11,729,000

See accompanying notes to consolidated financial statements.

Rocky Mountain Resources Corp.

Interim Consolidated Statements of Cash Flow

(Unaudited - Prepared by Management)

	Three months ended August 31 2008	2007	Six months ended August 31 2008	2007
Cash provided by (used for):				
Operating activities:				
Loss for the period	$ (484,558)	(435,840)	(972,402)	(609,397)
Items not involving cash				
Depreciation	2,861	330	3,862	683
Mineral properties abandoned	64,467	-	64,467	-
Stock-based compensation	35,023	-	64,023	-
Changes in non-cash working capital balances:				
Amounts receivable	2,701	(13,916)	19,509	(23,230)
Prepaid expenses	(1,913)	28,125	(8,365)	34,607
Accounts payable and accrued liabilities	(84,712)	54,093	72,774	54,506
	(466,131)	(367,208)	(756,132)	(542,831)
Investing activities:				
Reclamation bonds	(32,668)	157	(32,769)	(12,362)
Purchase of equipment	(30,711)	-	(39,725)	(4,094)
Mineral properties	(257,574)	(53,301)	(302,645)	(147,264)
	(320,953)	(53,144)	(375,139)	(163,720)
Financing activities:				
Exercise of warrants	24,350	-	24,350	-
Deferred financing costs	-	(141,692)	-	(166,692)
	24,350	(141,692)	24,350	(166,692)
Decrease in cash	(762,734)	(562,044)	(1,106,921)	(873,243)
Cash, beginning of period	1,870,913	934,097	2,215,100	1,245,296
Cash, end of period	$ 1,108,179	372,053	1,108,179	372,053
Supplementary cash flow information:				
Cash amount of payments received (made):				
Interest received	$ 7,603	6,262	20,394	16,723
Non-cash financing and investing activities:				
Fair value of warrants transferred to share capital from contributed surplus on exercise of warrants	8,347	-	8,347	-

See accompanying notes to consolidated financial statements.

1. Nature of operations and ability to continue as a going concern:

   The Company is an exploration stage public company whose shares trade on the TSX Venture Exchange. The Company is engaged principally in the acquisition, exploration and development of resource properties. The recovery of the Company's investment in resource properties and attainment of profitable operations is principally dependent upon financing being arranged by the Company to continue operations, explore and develop the resource properties and the discovery, development and sale of ore reserves. The outcome of these matters cannot presently be determined because they are contingent on future events.

   These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At August 31, 2008, the Company had not yet achieved profitable operations, has accumulated losses of $2,877,439 since inception, had working capital of $994,523 and expects to incur further losses in the development of its business. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and /or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due.

2. Basis of presentation:

   These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial statements. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the accompanying financial information reflects all adjustments, consisting primarily of normal and recurring adjustments considered necessary for fair presentation of the results for the interim period. Operating results for the six months ended August 31, 2008 are not necessarily indicative of the results that may be expected for the year ending February 28, 2009. These interim consolidated financial statements follow the same accounting policies as set out in Note 3 to the audited consolidated financial statements of the Company for the year ended February 29, 2008, except that the Company has adopted the following CICA standards effective for the Company's first quarter commencing March 1, 2008:

   Capital Disclosures

   CICA Handbook Section 1535, Capital Disclosures, establishes standards for disclosing information about the Company's objectives, policies and processes for managing capital (See Note 9).

   Financial Instruments Disclosures

   CICA Handbook Section 3862, Financial Instruments – Disclosures and Handbook Section 3863, Financial Instruments – Presentation, require entities to provide disclosure of quantitative and qualitative information in their financial statements that enable users to evaluate (a) the significance of financial instruments for the Company's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the Company is exposed during the period and at the balance sheet date, and management's objectives, policies and procedures for managing such risks (See Note 8).

Assessing Going Concern

CICA Handbook Section 1400, General Standards on Financial Statements Presentation, has been amended to include requirements to assess and disclose a company's ability to continue as a going concern (See Note 1).

Future pronouncements

Convergence with International Financial Reporting Standards

In February 2008, The Canadian Accounting Standards Board confirmed that convergence to International Financial Reporting Standards ("IFRS") will be required in Canada. The Company will be required to report using IFRS beginning March 1, 2011 for interim and annual financial statements with appropriate comparative data from the prior year. The Company has begun the process of evaluating the impact of the change to IFRS.

3. Equipment:

	February 29, 2008	Additions	August 31, 2008
Field equipment			
Cost	$3,700	-	$3,700
Depreciation	(1,039)	(327)	(1,366)
Office equipment			
Cost	4,094	39,725	43,819
Depreciation	(1,260)	(3,535)	(4,795)
Total	$5,495	$35,863	$41,358

4. Mineral properties:

(a) Goodsprings Property, Nevada, USA:

The Company has decided not to proceed with the Goodsprings project, as efforts to attract a joint venture partner were unsuccessful. Acquisition costs of $64,467 were written off.

(b) Paris Foothills, Idaho, USA:

On December 18, 2007, the Company entered into a Mineral Lease Agreement to acquire rights to explore certain mineral properties in Bear Lake County, Idaho for a series of annual payments and advances upon the royalties payable as follows:

US$25,000 (paid)	Upon execution of Agreement
US$25,000	On or before December 18, 2009 and annually thereafter

The Company is to pay a production royalty to the Lessor of 3% of net smelter returns from any mineral substances produced and sold from the property.

On June 18, 2008, the Company was granted exploration permits for three tracts of land owned by the State of Idaho and administered by the Idaho Department of Lands. The permits grant the Company permission to conduct exploration activities on the state lands for a period of 2 ½ years, until December 31, 2010. A one time fee of $500 was paid for each permit, and each permit required the company to post a $10,000 bond.

On August 9, 2008, the Company entered into two more Mineral Lease Agreements to acquire rights to explore certain mineral properties in Bear Lake County, Idaho for a series of annual payments and advances upon the royalties payable as follows:

US$25,000 (paid)	Signing bonus upon execution of Agreement
US$60,000 (paid)	Upon execution of Agreement
US$60,000	On or before August 9, 2009 to 2012
US$80,000	On or before August 9, 2013 to 2017
US$100,000	On or before August 9, 2018 and annually thereafter

The Company is to pay a production royalty to the Lessor of 5% of the gross revenue received from the sale of all mineral substances owned by Lessor.

US$6,000 (paid)	Signing bonus upon execution of Agreement
US$85,000 (paid)	Upon execution of Agreement
US$85,000	On or before August 9, 2009 to 2011
US$105,000	On or before August 9, 2012 to 2017
US$125,000	On or before August 9, 2018 and annually thereafter

The Company is to pay a production royalty to the Lessor of 5% of the gross revenue received from the sale of all mineral substances owned by Lessor.

(c) The summary of mineral property acquisition costs is as follows:

	February 29, 2008	Additions	Written-off	August 31, 2008
Gibellini, Nevada, USA	$369,347	$71,633	-	$440,980
Goodsprings, Nevada, USA	$38,130	$26,337	$(64,467)	-
Paris Foothills, Idaho, USA	$30,093	$201,158	-	$231,251
Other Regional	-	$3,517	-	$3,517
Total	$437,570	$302,645	$(64,467)	$675,748

(d) The details of exploration expenditures incurred and expensed on the Company's mineral properties during the six month periods ended August 31, 2008 and 2007 are as follows:

	Gibellini $	Goodsprings $	Paris Foothills $	Other Regional $	Total $
Exploration expenditures:					
Assays and analysis	16,421	6,403	-	-	22,824
Drilling	121,207	-	-	-	121,207
Engineering and consulting	33,917	10,240	50,925	-	95,082
Equipment rental	9,867	3,221	3,217	-	16,305
Field office and supplies	6,743	388	3,786	-	10,917
Insurance	5,070	-	5,070	-	10,140
Metallurgy	34,204	-	-	-	34,204
Property maintenance and taxes	20,093	1,798	6,540	392	28,823
Reclamation	16,157	-	-	-	16,157
Reproduction and drafting	5,732	-	696	-	6,428
Scoping study	114,662	-	-	-	114,662
Travel and accommodation	12,910	1,941	21,569	1,891	38,311
	396,983	23,991	91,803	2,283	515,060
Cumulative exploration expenditures, February 29, 2008	724,421	58,766	8,864	-	792,051
Cumulative exploration expenditures, August 31, 2008	1,121,404	82,757	100,667	2,283	1,307,111

	Gibellini $	Lake Owen $	Total $
Exploration expenditures:			
Assays and analysis	2,967	70,253	73,220
Drilling	75,980	-	75,980
Engineering and consulting	72,094	67,142	139,236
Environmental consulting	660	1,458	2,118
Field office and supplies	12,608	7,240	19,848
Labour	3,706	27,789	31,495
Legal	2,134	-	2,134
Property maintenance and taxes	20,584	82,126	102,710
Reproduction and drafting	467	244	711
Travel and accommodation	10,813	21,938	32,751
	202,013	278,190	480,203
Cumulative exploration expenditures, February 28, 2007	231,098	129,914	361,012
Cumulative exploration expenditures August 31, 2007	433,111	408,104	841,215

5. Share capital:

(a) Authorized:

Unlimited number of common shares without par value.

(b) Issued:

	Number of Shares	Stated Amount
Balance, February 29, 2008	14,549,950	$4,224,531
Issued on exercise of agents' warrants	24,350	32,697
Balance, August 31, 2008	14,574,300	$4,257,228

Of the issued and outstanding common shares, 3,975,000 shares are held in escrow pursuant to the requirements of the TSX Venture Exchange ("Exchange"), to be released in accordance with Exchange policies.

(c) Share purchase options:

The continuity of share purchase options is as follows:

Expiry Date	Exercise price	Balance, February 29, 2008	Granted	Exercised	Balance, August 31, 2008
February 12, 2013	$1.30	690,000	-	-	690,000
Stock options exercisable					300,000
Weighted average exercise price		$1.30	-	-	$1.30

On February 12, 2008, the Company granted 690,000 options exercisable on or before February 12, 2013 at a price of $1.30 per share. Of these options, 650,000 were subject to vesting provisions (40% vested on the grant date and 20% will vest on each of the next three anniversaries from the date of grant). The Company recorded a stock-based compensation expense of $35,023 during the current period.

(d) Agents warrants:

Warrants outstanding at August 31, 2008 are as follows:

Expiry Date	Exercise price	Balance, February 29, 2008	Granted	Exercised	Balance, August 31, 2008
September 18, 2008	$1.00	154,050	-	(24,350)	129,700
Weighted average exercise price		$1.00	-	-	$1.00

(e) Contributed surplus:

The continuity of contributed surplus is as follows:

	Number of		Amounts		
	Options	Warrants	Options	Warrants	Total
Balance, February 29, 2008	690,000	154,050	$ 267,696	$ 52,808	$ 320,504
Amortized during the period	-	-	64,023	-	64,023
Exercised during the period, credited to share capital	-	(24,350)	-	(8,347)	(8,347)
Balance, August 31, 2008	690,000	129,700	$331,719	44,461	$376,180

6. Related party transactions:

Related party transactions not otherwise disclosed on these financial statements consist of:

(a) Office facilities and administrative services of $24,000 to a company with a director and two officers in common;

(b) Rent of $400 to a director of the Company.

(c) Accounts payable to a company with a director and two officers in common of $4,727.

The above transactions were in the normal course of business and were measured at the exchange amount which is the amount agreed to by the related parties.

7. Segment disclosures:

The Company considers itself to operate in a single segment, being mineral exploration and development. Geographic information is as follows:

	Canada	United States	Total
August 31, 2008:			
Loss from operations	$99,646	872,756	972,402
Identifiable assets	942,276	952,001	1,894,277
August 31, 2007:			
Loss from operations	$35,641	583,756	619,397
Identifiable assets	365,183	640,888	1,006,071

8. Management of financial risk:

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk, interest risk and price risk.

(a) Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and United States. A significant change in the currency exchange rates between the Canadian dollar relative to the U.S. dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations. The net exposure in financial instruments as at August 31, 2008 is not material.

(b) Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations.

The Company's cash and cash equivalents are held through a large Canadian financial institution. These instruments mature at various dates over the current operating period and are normally for periods three months or less.

(c) Liquidity risk

The Company manages liquidity risk by maintaining adequate cash balances in order to meet short and long term business requirements. The Company believes that these sources will be sufficient to cover its cash requirements for the upcoming year. The Company's cash is invested in liquid investments with quality financial institutions and is available on demand for the Company's programs and is not invested in any asset backed commercial paper.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The risk that the Company will realize a loss as a result of a decline in the fair market value of the short-term investments included in cash and cash equivalents is limited because these investments are generally held to maturity.

(e) Price risk

Although the Company is not in production, the nature of the project potentially exposes the Company to price risk with respect to commodity prices. The Company monitors commodity prices to determine the appropriate course of action to be taken by the Company.

9. Capital Management

The Company's objective when managing capital is to maintain adequate levels of funding to support exploration and development of its mineral exploration projects, and to maintain corporate and administrative functions.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through the issuance of common shares, the issue of debt or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended February 29, 2008.