

FINANCIAL STATEMENTS

ACREX VENTURES LTD.

VANCOUVER, BRITISH COLUMBIA, CANADA

September 30, 2008

1. NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS
2. STATEMENT OF OPERATIONS, COMPREHENSIVE LOSS AND DEFICIT
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Notice of No Auditor Review of Interim Financial Statements

The accompanying unaudited interim financial statements have been prepared by management and approved by the Audit Committee and the Board of Directors.

The Company's independent auditors have not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

ACREX Ventures Ltd.

STATEMENT OF OPERATIONS, COMPREHEHSIVE LOSS AND DEFICIT

Expressed in Canadian dollars

Unaudited

	Three months ended September 30, 2008	Three months ended September 30, 2007	Nine months ended September 30, 2008	Nine months ended September 30, 2007
EXPENSES				
Management fees	\$ 34,500	\$ 34,500	\$ 103,500	\$ 103,500
Accounting	4,500	(2,550)	48,800	30,750
Investor relations	12,418	11,405	36,469	68,716
Legal	5,150	955	30,942	25,135
Promotion and travel	9,537	8,702	30,521	28,784
Office and general	5,409	2,294	26,910	28,470
Insurance	–	–	13,500	2,300
Rent	4,170	170	12,510	3,710
Transfer agent fees	6,668	3,064	12,098	11,360
Advertising	2,802	7,730	9,818	11,665
Filing fees	488	66	5,788	7,760
Consulting	–	6,238	3,348	25,525
Directors fees – stock based compensation	–	74,853	–	74,853
	85,642	147,427	334,204	422,528
Loss before other items and income taxes	(85,642)	(147,427)	(334,204)	(422,528)
OTHER ITEMS				
Interest income	14,628	15,532	51,756	18,675
Unrealized gain (loss) on marketable securities	(4,627)	270	(5,722)	270
	10,001	15,802	46,034	18,945
LOSS BEFORE INCOME TAXES	(75,641)	(131,625)	(288,170)	(403,583)
FUTURE INCOME TAX RECOVERY	–	–	335,500	–
NET (LOSS) INCOME AND COMPREHENSIVE (LOSS) INCOME	(75,641)	(131,625)	47,330	(403,583)
Deficit, beginning of period	(5,369,330)	(5,095,035)	(5,492,301)	(4,823,077)
DEFICIT, end of period	\$ (5,444,971)	\$ (5,226,660)	\$ (5,444,971)	\$ (5,226,660)
LOSS PER SHARE – BASIC AND DILUTED				
	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING				
	40,652,295	33,868,417	40,600,593	29,347,364

ACREX Ventures Ltd.

BALANCE SHEET

Expressed in Canadian dollars

	September 30, 2008 (Unaudited)	December 31, 2007 (Audited)
ASSETS		
Current		
Cash and cash equivalents	\$ 1,253,726	\$ 1,987,393
Marketable securities	9,813	15,535
Other receivables	23,861	63,420
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	1,287,400	2,066,348
Mineral properties [Note 3]	3,046,130	2,405,492
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	\$ 4,333,530	\$ 4,471,840
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LIABILITIES

Current		
Accounts payable and accrued expenses	\$ 158,282	32,270
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SHAREHOLDERS' EQUITY

Share capital [Note 4]	8,960,791	9,275,791
Contributed surplus [Note 5]	659,428	656,080
Deficit	(5,444,971)	(5,492,301)
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	4,175,248	4,439,570
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	\$ 4,333,530	\$ 4,471,840
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Approved on behalf of the Board:

/s/ "T.J. MALCOLM POWELL"
Malcolm Powell, Director

/s/ "CARL R. JONSSON"
Carl Jonsson, Director

ACREX Ventures Ltd.

STATEMENT OF CASH FLOWS

Unaudited

	Three months ended September 30, 2008	Three months ended September 30, 2007	Nine months ended September 30, 2008	Nine months ended September 30, 2007
OPERATIONS				
Net (loss) income	\$ (75,641)	\$ (131,625)	\$ 47,330	\$ (403,583)
Add (deduct) items not involving cash:				
Stock-based compensation	–	74,853	3,348	74,853
Unrealized gain (loss) on marketable securities	4,627	(270)	5,722	(270)
Future income tax recovery	–	–	(335,500)	–
	(71,014)	(57,042)	(279,100)	(329,000)
Changes in non-cash working capital balances:				
Decrease (increase) in other receivables	(11,809)	(7,092)	39,559	17,143
Decrease in prepaid expenses	–	–	–	507
Increase in accounts payable	1,466	55,860	19,657	71,516
	(81,357)	(8,274)	(219,884)	(239,834)
FINANCING				
Share issued, net	–	2,384,429	5,000	2,443,716
INVESTING				
Mineral properties:				
Acquisition costs	(50,000)	(31,050)	(89,000)	(81,570)
Exploration expenditures	(163,505)	(110,606)	(429,783)	(203,031)
	(213,505)	(141,656)	(518,783)	(284,601)
DECREASE IN CASH	(294,862)	2,384,429	(733,667)	1,919,281
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	1,548,588	347,747	1,987,393	662,965
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 1,253,726	\$ 2,582,246	\$ 1,253,726	\$ 2,582,246
NON-CASH INVESTING AND FINANCING ACTIVITIES				
Common shares issued for mineral properties	\$ 4,500	\$ 11,050	\$ 15,500	\$ 51,050

Acrex Ventures Ltd.

NOTES TO FINANCIAL STATEMENTS

Nine months ended September 30, 2008

Expressed in Canadian dollars

(Unaudited)

1. NATURE OF OPERATIONS

ACREX Ventures Ltd., incorporated in British Columbia, is a public company listed on the TSX Venture Exchange ("TSX") in Canada and on the NASD over-the-counter Bulletin Board ("OTCBB") in the U.S.

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of mineral properties in Canada.

The accompanying unaudited financial statements are prepared in accordance with Canadian generally accepted accounting principles but do not conform in all respects to the note disclosure requirements for its annual financial statements. The unaudited financial statements have been prepared on a basis consistent with the accounting principles and policies described in the annual financial statements, unless otherwise mentioned, and should be read in conjunction with those statements. Except for the changes in accounting policies described in Note 2, these unaudited interim financial statements follow the same significant accounting policies as the annual financial statements. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included in these financial statements.

2. ADOPTION OF NEW ACCOUNTING STANDARDS

Effective January 1, 2008, the Company has adopted the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 1535 ("CICA 1535"), "Capital Disclosures", Section 3862 ("CICA 3862"), "Financial Instruments – Disclosure", and Section 3863 ("CICA 3863"), "Financial Instruments – Presentation. CICA 1535 establishes standards for disclosing information about an entity's capital and how it is managed. CICA 3862 and CICA 3863 increases the emphasis on recognition and management of the risks associated with recognized and unrecognized financial instruments. These sections relate to disclosure and presentation only and did not have any impact on the Company's financial results or position.

3. MINERAL PROPERTIES

	Michaud	Spanish Mountain	Don's Lake	Honeymoon	Total
Acquisition costs					
Balance, beginning of period	\$ 75,000	\$ 122,834	\$ –	\$ –	\$ 197,834
Acquisition payments	–	54,500	39,500	10,500	104,500
Balance, end of period	75,000	177,334	39,500	10,500	302,334
Exploration costs					
Balance, beginning of period	1,250,327	957,331	–	–	2,207,658
Drilling	166,062	–	117,970	–	284,032
Assays	–	70,220	–	6,496	76,716
Surveying and line cutting	–	5,454	84,064	6,106	95,624
Consulting	–	7,150	39,129	14,555	60,834
Lodging	–	–	12,495	–	12,495
Other	–	–	5,765	672	6,437
Balance, end of period	1,416,389	1,040,155	259,423	27,829	2,743,796
	\$ 1,491,389	\$ 1,217,489	\$ 298,923	\$ 38,329	\$ 3,046,130

Acrex Ventures Ltd.

NOTES TO FINANCIAL STATEMENTS

Nine months ended September 30, 2008

Expressed in Canadian dollars

(Unaudited)

3. MINERAL PROPERTIES (continued)

Michaud gold claims, Ontario, Canada - Pursuant to an Agreement dated September 1, 2001 and amended January 17, 2003 and February 17, 2004 ("Agreement") with Moneta Porcupine Mines Inc. ("Moneta"), the Company acquired an option to earn a 50% interest in certain mineral claims in the Michaud Township, Ontario, Canada. On November 26, 2004, the Company entered into a Joint Venture Agreement with Moneta to engage in the exploration, development and mining of the claims. The agreement also includes terms for the acquisition of additional mining or mineral claims or other real property interests within the area of interest.

The Agreement also includes terms for the acquisition of additional mineral claims within the area of interest. Pursuant to these provisions, the Company has agreed with Moneta to acquire 50% of the net 75% interest (i.e. a net 37.5% interest) in three adjoining mineral claims known to the parties as the Dymont Claims - which cover approximately 48 hectares. To reimburse Moneta for its costs of the original acquisition of interests in the Dymont Claims, the Company agreed to pay Moneta \$50,000, which it paid in 2006.

Spanish Mountain claims, British Columbia, Canada - On July 23, 2005, the Company entered into an Option Agreement (the "Agreement") to acquire a 100% interest in the Spanish Mountain property, consisting of 8 mineral claims covering approximately 1,350 hectares located near Likely in north-eastern British Columbia, Canada.

The Agreement provided that the Company could earn the interest by making cash payments and issuing shares to the Optionor as follows:

<u>Due Date</u>	<u>Cash Payment</u>	<u>Share Issuance</u>
July 25, 2005 (completed)	\$ 5,000	50,000
April 25, 2006 (completed)	5,000	—
July 25, 2006 (completed)	10,000	50,000
July 25, 2007 (completed)	20,000	50,000
July 25, 2008 (completed)	20,000	50,000
July 25, 2009 (see below)	40,000	—
	<u>\$ 100,000</u>	<u>200,000</u>

Effective September 22, 2008 the Company renegotiated the payment due on July 25, 2009 by an immediate payment of \$30,000. The result was that the option was exercised and the cash component of the consideration was \$90,000.

In addition, 200,000 shares of the Company are to be issued upon receipt of a positive feasibility study.

The Agreement is subject to a 3% net smelter return ("NSR"). The Company has the right to purchase 66.67% of the NSR (a 2.0% NSR) for \$1,000,000 upon commencement of commercial production of the property.

On February 7, 2007, the Company acquired a 100% interest of two mineral tenures immediately to the west and south of the Company's existing claim group. The purchase price of these claims was \$10,000 and 200,000 shares. The fair value of these shares was \$40,000.

Don's Lake gold claims, Ontario, Canada - On February 28, 2008, the Company entered into an Option Agreement (the "Agreement") to acquire a 100% interest in the Don's Lake mineral property, consisting of 18 mineral claims covering approximately 1,344 hectares located near Sioux Lookout in north-western Ontario, Canada.

Acrex Ventures Ltd.

NOTES TO FINANCIAL STATEMENTS

Nine months ended September 30, 2008

Expressed in Canadian dollars

(Unaudited)

3. MINERAL PROPERTIES (continued)

The Company may earn the interest by making certain cash payments and issuing shares to the Optionor as follows:

Due Date	Cash Payment	Share Issuance	Exploration Expenditure on or Before
February 28, 2008 (completed)	\$ 34,000	50,000	\$ –
May 29, 2009	25,000	50,000	300,000
May 29, 2010	50,000	50,000	200,000
May 29, 2011	81,000	50,000	400,000
May 29, 2012	–	–	400,000
	<u>\$ 190,000</u>	<u>200,000</u>	<u>\$ 1,300,000</u>

In addition, 200,000 shares of the Company are to be issued upon receipt of a positive feasibility study.

The Agreement is subject to a 2% net smelter return ("NSR"). The Company will have a right of first refusal on a 1.0% net smelter return royalty if the Optionor desires to sell.

On February 28, 2008, the Company issued 50,000 common shares and paid \$34,000 for payment of the option obligations pursuant to the Agreement. The fair value of these shares was \$5,500.

Honeymoon Area claims, British Columbia, Canada – On March 12, 2008, the Company entered into an Option Agreement (the "Agreement") to acquire a 100% interest in the Honeymoon Area mineral property located near in Kamloops British Columbia, Canada.

The Company may earn the interest by making certain cash payments and issuing shares to the Optionor as follows:

Due Date	Cash Payment	Share Issuance
March 12, 2008 (completed)	\$ 5,000	50,000
March 12, 2009	10,000	50,000
March 12, 2010	20,000	50,000
March 12, 2011	30,000	50,000
	<u>\$ 65,000</u>	<u>200,000</u>

The Agreement is subject to a 2% net smelter return ("NSR"). The Company will have a right of first refusal on a 1.0% net smelter return royalty for \$500,000.

On March 12, 2008, the Company issued 50,000 common shares and paid \$5,000 for payment of the option obligations pursuant to the Agreement. The fair value of these shares was \$5,500.

Acrex Ventures Ltd.

NOTES TO FINANCIAL STATEMENTS

Nine months ended September 30, 2008

Expressed in Canadian dollars

(Unaudited)

4. SHARE CAPITAL

The Company has authorized share capital of an unlimited number of common voting shares without par value. Issued share capital is as follows:

	Nine months ended September 30, 2008		Year ended December 31, 2007	
	Number	Amount	Number	Amount
Balance, beginning of period	40,510,447	\$ 9,275,791	26,908,936	\$ 7,019,882
Shares issued for cash and other:				
Private placements	—	—	12,800,000	2,504,000
Mineral properties	150,000	15,500	250,000	48,000
Agents' fees	—	—	551,511	123,378
Share issuance cost recovery (expense)	—	5,000	—	(260,237)
Agent's options and warrants	—	—	—	(159,232)
Reduction from renunciation of flow-through tax benefits	—	(335,500)	—	—
Balance, end of period	40,660,447	\$ 8,960,791	40,510,447	\$ 9,275,791

- On February 28, 2008, the Company issued 50,000 common shares for payment of certain mineral properties, as described in Note 3. The fair value of these shares was \$5,500.
- On March 12, 2008, the Company issued 50,000 common shares for payment of certain mineral properties, as described in Note 3. The fair value of these shares was \$5,500.
- On July 15, 2008, the Company issued 50,000 common shares for payment of certain mineral properties, as described in Note 3. The fair value of these shares was \$4,500.

Warrants - The following table summarizes the continuity of the Company's warrants:

	Number of shares	Weighted average exercise price \$
Balance as at December 31, 2007 and September 30, 2008	7,699,755	0.46

As at September 30, 2008, the following warrants were outstanding:

Number of Warrants	Exercise Price \$	Expiry Date
6,675,755	0.50	August 14/16, 2009
1,024,000	0.23	August 14/16, 2009
<u>7,699,755</u>		

Acrex Ventures Ltd.

NOTES TO FINANCIAL STATEMENTS

Nine months ended September 30, 2008

Expressed in Canadian dollars

(Unaudited)

5. CONTRIBUTED SURPLUS

	Nine months ended September 30, 2008	Year ended December 31, 2007
Balance - beginning of period	\$ 656,080	\$ 219,054
Stock-based compensation – stock options granted	3,348	277,794
Agent's warrants granted	–	159,232
Balance - end of period	\$ 659,428	\$ 656,080

6. STOCK OPTION PLAN AND STOCK-BASED COMPENSATION

The Company has established a stock option plan for directors, employees, and consultants. The following table summarizes the stock options outstanding and exercisable at September 30, 2008:

Price	Number Outstanding	Number Exercisable	Expiry Date
\$0.28	565,000	565,000	November 4, 2008
\$0.12	485,000	485,000	July 7, 2010
\$0.12	100,000	100,000	October 13, 2010
\$0.12	100,000	100,000	December 5, 2010
\$0.30	100,000	100,000	June 19, 2011
\$0.30	50,000	50,000	June 29, 2011
\$0.20	100,000	100,000	February 7, 2012
\$0.16	650,000	650,000	July 12, 2012
\$0.16	1,400,000	1,375,000	December 17, 2012
	3,550,000	3,525,000	

Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the pricing policies of the TSX Venture Exchange. Options vest immediately when granted and expire five years from the date of the grant, unless the Board establishes more restrictive terms. Of the 1,400,000 options issued in December 2007, 75,000 options vest in three equal instalments in 2008

The aggregate number of shares issuable pursuant to options granted under the plan is limited to 10% of the Company's issued shares at the time the options are granted. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued shares of the corporation.

A summary of the changes in the Company's stock options for the period ended September 30, 2008 and year ended 2007 is presented below:

	Nine months ended September 30, 2008	Year ended December 31, 2007
	Number	Weighted Average Exercise Price
Outstanding, beginning of period	3,550,000	\$ 0.18
Granted	–	2,150,000
Expired	–	(600,000)
Outstanding, end of period	3,550,000	\$ 0.18

Total stock based compensation expense in respect of stock options granted for the nine months ended September 30, 2008 was \$3,348, with a weighted average fair value of \$0.13 per option.

Acrex Ventures Ltd.

NOTES TO FINANCIAL STATEMENTS

Nine months ended September 30, 2008

Expressed in Canadian dollars

(Unaudited)

7. RELATED PARTY TRANSACTIONS

The Company incurred legal fees of \$30,941 (September 30, 2007: \$25,135) from a law firm of which a director is a principal.

The Company incurred management fees of \$103,500 (September 30, 2007: \$103,500) and equipment rental charges of \$9,610 (September 30, 2007: \$8,856) from a company owned by a director.

The Company incurred rent expense of \$12,510 (September 30, 2007: \$3,710) from a company which has a common director.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of mineral properties in Canada. The Company does not have any externally imposed capital requirements to which it is subject.

As at September 30, 2008, the Company had capital resources consisting of cash and cash equivalents, marketable securities and other receivables. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash and cash equivalents.

The Company's investment policy is to invest its cash in investment instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected time of expenditures from continuing operations.

The Company expects its current capital resources will be sufficient to carry its exploration plans and operations through its current operating period.

9. FINANCIAL INSTRUMENTS

As at September 30, 2008, the Company's financial instruments consist of cash and cash equivalents, marketable securities and accounts payable. The fair values of these financial instruments approximate their carrying values because of their current nature, except for marketable securities which are measured at fair value at period end. It is management's opinion that the Company is not exposed to significant interest, currency and liquidity risks arising from its financial instruments.

Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash and cash equivalents. To minimize the credit risk the Company places these instruments with high credit quality financial institution.

10. SEGMENT INFORMATION

The Company's operations are limited to a single industry segment being the acquisition, exploration and development of mineral properties. The mineral properties are located in Canada in the Provinces of British Columbia and Ontario.