

TRIPLE DRAGON RESOURCES INC.

(An Exploration Stage Company)

FINANCIAL STATEMENTS

MARCH 31, 2009 and 2008

BALANCE SHEETS

STATEMENTS OF OPERATIONS AND DEFICIT

STATEMENTS OF CASH FLOWS

NOTES TO FINANCIAL STATEMENTS

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AUDITORS' REPORT

To the Shareholders of
Triple Dragon Resources Inc.

We have audited the balance sheets of Triple Dragon Resources Inc. (An Exploration Stage Company) as at March 31, 2009 and 2008 and the statements of operations and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2009 and 2008 and the results of its operations and its cash flows for the years then ended are in accordance with Canadian generally accepted accounting principles.

Vancouver, Canada
June 9, 2009

CHANG LEE LLP
Chartered Accountants

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

BALANCE SHEETS

AS AT MARCH 31, 2009 and 2008

	March 31, 2009	March 31, 2008
ASSETS		
Current		
Cash and cash equivalents	\$ 419,000	\$ 611,846
GST receivable	4,865	-
Due from a related party (Note 5)	5,766	-
Prepaid expenses	-	66,500
	<u>424,141</u>	<u>678,346</u>
Mineral Properties and Deferred Exploration Expenditures (Note 3)	<u>191,652</u>	<u>-</u>
	<u>\$ 621,283</u>	<u>\$ 678,346</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	\$ 14,918	\$ 12,357
Shareholders' Equity		
Share capital (Note 4)	2,691,000	2,392,500
Contributed surplus (Note 4)	436,463	-
Deficit	(2,521,098)	(1,726,511)
	<u>606,365</u>	<u>665,989</u>
	<u>\$ 621,283</u>	<u>\$ 678,346</u>

Nature of Operations (Note 1)

Subsequent Events (Note 8)

On behalf of the Board:

"David Hodge" Director
David Hodge

"Shaun Ledding" Director
Shaun Ledding

The accompanying notes are an integral part of these financial statements.

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE YEARS ENDED MARCH 31, 2009 AND 2008

	2009	2008
Expenses		
Administrative fees	\$ 212,500	\$ -
Office and general	1,652	1,104
Professional fees	83,476	102,342
Shareholder communication expenses	17,098	444
Transfer agent and regulatory authorities fees	33,808	24,972
Travel and promotion	15,345	-
Stock based compensation	436,463	745,000
	800,342	873,862
Other income (expenses)		
Interest income	5,755	14,404
Foreign exchange (loss) gain	-	(37)
Other income, net	5,755	14,367
Net loss and comprehensive loss for the year	(794,587)	(859,495)
Deficit, beginning of year	(1,726,511)	(867,016)
Deficit, end of year	\$ (2,521,098)	\$ (1,726,511)
Basic and diluted loss per share	\$ (0.03)	\$ (0.04)
Weighted average number of common shares outstanding		
– basic and diluted	22,860,616	22,218,973

The accompanying notes are an integral part of these financial statements.

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2009 AND 2008

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss for the year	\$ (794,587)	\$ (859,495)
Adjustment for items not involving cash:		
Stock based compensation	436,463	745,000
Changes in non-cash operating working capital:		
GST receivable	(4,865)	-
Due from a related party	(5,766)	-
Prepaid expenses	66,500	(66,500)
Accounts payable and accrued liabilities	2,561	(30,018)
Net cash flows used in operating activities	(299,724)	(211,013)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Mineral properties and deferred exploration expenditures	(191,652)	-
Net cash flows from investing activities	(191,652)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Deferred charges	-	27,500
Shares issued for cash, net of issuance costs	298,500	310,000
Net cash flows from financing activities	298,500	337,500
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(192,846)	126,487
Cash and cash equivalents, beginning of year	611,846	485,359
Cash and cash equivalents, end of year	\$ 419,000	\$ 611,846
Interest paid in cash	\$ -	\$ -
Income tax paid in cash	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009 AND 2008

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company was incorporated on February 21, 2006 under the laws of British Columbia and on August 4, 2006, it continued out of British Columbia and into the British Virgin Islands. The Company's principal business activity was the exploration of mineral properties. On September 21, 2006, the Company changed its principal business activity and developed its business plan to enter the convention industry principally in Macau. On July 10, 2008, in connection with the change of control, the Company continued out of the British Virgin Islands and into British Columbia as a mineral exploration company.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") 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 has incurred losses since inception and the Company has an accumulated deficit of \$2,521,098 (2008 - \$1,726,511) as at March 31, 2009. The ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing required to maintain its operations, and to ultimately attain future profitable operations. Management expects the Company to continue as a going concern and plans to meet any financing requirements through equity financing and seeking other business opportunities to expand the Company's operations. The outcome of these matters cannot be predicted at this time and there are no assurances that the Company will be successful in achieving its goals. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

Estimates, Assumptions and Measurement Uncertainty

The preparation of financial statements in conformity with Canadian GAAP 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 date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. Areas requiring significant management estimates relate to the determination of impairment of mineral properties, expected tax rates for future income tax recoveries, fair value of stock-based payments and useful lives for amortization of long-lived assets. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in estimates in future periods could be significant.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents. The cash equivalents were \$nil as at March 31, 2009 (2008 - \$604,284).

Mineral Properties

The cost of mineral properties and related exploration and development costs are deferred until the properties are placed into production, sold or abandoned. These costs will be amortized using the unit of production method of the properties following the commencement of commercial production or written off if the properties are sold, allowed to lapse, or abandoned. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. It is reasonably possible that economically recoverable reserves may not be discovered and accordingly a material portion of the carrying value of mineral properties and related deferred exploration costs could be written off. Although the Company has taken steps to verify title to mineral properties in which it has an interest, according to the usual industry standards for the stage of exploration of such properties, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected title defects.

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009 AND 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Asset Retirement Obligations

An asset retirement obligation is a legal obligation associated with the retirement of tangible long-lived assets that the Company is required to settle. This would include obligations related to future removal of property and equipment, and site restoration costs. The Company recognizes the fair value of a liability for an asset retirement obligation in the year in which it is incurred when a reasonable estimate of fair value can be made. The carrying amount of the related long-lived asset is increased by the same amount as the liability. The Company currently does not have any significant asset retirement obligations.

Impairment of Long-Lived Assets

The Company follows the recommendations of the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3063, "Impairment of Long-Lived Assets". Section 3063 establishes standards for recognizing, measuring and disclosing impairment of long-lived assets held for use. The Company conducts its impairment test on long-lived assets when events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment is recognized when the carrying amount of an asset to be held and used exceeds the undiscounted future net cash flows expected from its use and disposal. If there is an impairment, the impairment amount is measured as the amount by which the carrying amount of the asset exceeds its fair value, calculated using discounted cash flows when quoted market prices are not available.

Earnings (Loss) Per Share

Basic earnings (loss) per share is calculated using the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share is calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury method. The treasury method assumes that proceeds received from the exercise of stock options and warrants are used to repurchase common shares at the prevailing market rate. Diluted loss per share is equal to the basic loss per share as there were no dilutive securities as at March 31, 2009.

Corporate Transaction Costs

The Company adopted Emerging Issues Committee (EIC) 94, "Accounting for Corporate Transaction Costs" and recorded the costs incurred in connection with the proposed corporate transaction eligible for deferral as a non-current deferred charge.

Income Taxes

The Company accounts for income taxes using the asset and liability method, whereby future tax assets and liabilities are recognized for the future income tax consequences attributable to differences between the carrying values of the asset and liabilities and their respective income tax bases. Future income tax assets and liabilities are measured using substantively enacted income tax rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled. The effect on future income taxes and liabilities of a change in rates is included in operations in the period that includes the substantive enactment date. To the extent that the Company does not consider it more likely than not that a future income tax asset will be recovered, it provides a valuation allowance against the excess.

The Company recognizes into income a future income tax benefit on the renouncement of Canadian exploration expenditures to its flow-through share investors.

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009 AND 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Stock-Based Compensation

The Company accounts for stock options granted using CICA Section 3870, "Stock-Based Compensation and Other Stock-Based Payments". Under this Handbook section, the Company is required to expense, over the vesting period, the fair value of the options and awards granted. Accordingly, the fair value of the options at the date of grant is accrued and charged to operations, with a corresponding credit to contributed surplus, on a straight-line basis over the vesting period. If and when the stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to share capital.

Flow-through Common Shares

Canadian income tax legislation permits an enterprise to issue securities referred to as flow-through shares, whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. When resource expenditures are renounced to the investors and the Company has reasonable assurance that the expenditures will be completed, future income tax liabilities are recognized thereby reducing share capital when the expenses are renounced.

If a company has sufficient unused tax losses and deductions to offset all or part of the future income tax liabilities and no future income tax assets have been previously recognized on such losses, a portion of such unrecognized losses is recorded as income up to the amount of the future income tax liability previously recognized on the renounced expenditures.

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 generally accepted accounting principles requires to be recognized in a period, but excluded from net income for that period.

The Company has no items of other comprehensive income in any period presented. Therefore, net income as presented in the Company's statement of operations equals comprehensive income.

Foreign Currency Translation

Monetary items denominated in a foreign currency are translated into Canadian dollar equivalents at exchange rates prevailing at the balance sheet date and non-monetary items are translated at exchange rates prevailing when the assets were acquired or obligations incurred. Foreign currency denominated revenue and expense items are translated at exchange rates prevailing at the transaction date. Gains or losses arising from the translations are included in the operations

Financial Instruments - Recognition and Measurement

This standard sets out criteria for the recognition and measurement of financial instruments. This standard requires all financial instruments within its scope, including derivatives, to be included on a Company's balance sheet and measured either at fair value or, in certain circumstances when fair value may not be considered and most relevant, at cost or amortized cost. Changes in fair value are to be recognized in the statements of operations and comprehensive income.

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009 AND 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments - Recognition and Measurement (continued)

All financial instruments are classified into one of the following five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. Initial and subsequent measurement and recognition of changes in the value of the financial instruments depends on their initial classification.

The Company classifies its cash and cash equivalents as held-for-trading; due from related party as loans and receivables, and accounts payable and accrued liabilities as other financial liabilities.

Financial Instruments – Disclosures and Presentation

Effective April 1, 2008, the Company adopted the requirements of CICA Handbook sections 3862, and 3863. These sections increase the disclosures currently required, which 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 credit risk, liquidity risk and market risk. The quantitative disclosures must provide information about the extent to which the entity is exposed to risk, based on information provided internally to the entity's key management personnel.

Fair Value

Upon adoption of this new standard, the Company designated its financial instruments as follows:

- Cash is classified as held-for-trading;
- Due from related party as loans and receivables;
- Accounts payable and accrued liabilities as other financial liabilities.

The fair value of due from related party and accounts payable and accrued liabilities approximate their carrying values due to the short-term nature of these instruments.

Fair value estimates are made at the balance sheet date, based on relevant market information and other information about the financial instruments. Fair values are determined directly by reference to published price quotations in an active market, when available, or by using a valuation technique that uses inputs observed from the markets.

Financial Risk Management

The Company's activities expose it to a variety of financial risks including credit risk, foreign exchange risk, interest rate risk and liquidity risk.

Credit Risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to its cash balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada. Management believes that the credit risk with respect to receivables is remote.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient capital to meet liabilities when due after taking into account the Company's holdings of cash that might be raised from equity financings. As at March 31, 2009, the Company had a cash balance of \$419,000 (2008 - \$611,846), and current liabilities of \$14,918 (2008 - \$12,357). All of the Company's accounts payable and accrued liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. The Company believes that these sources will be sufficient to cover the expected short and long term cash requirements.

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009 AND 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments – Disclosures and Presentation (continued)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. With respect to financial assets, the Company's practice is to invest cash in cash equivalents in order to maintain liquidity. Fluctuations in interest rates affect the fair value of cash equivalents.

b) Foreign currency risk

The Company is not exposed to foreign currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars.

Capital Disclosures

Effective April 1, 2008, the Company adopted Section 1535 "Capital Disclosures". This standard 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 noncompliance.

The Company manages its common shares, stock options and warrants as capital. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares. It is the Company's objective to safeguard its ability to continue as a going concern, so that it can continue to explore and develop its project for the benefit of its stakeholders. The Company is not subject to any externally imposed capital requirement.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the exploration and development of its mineral properties. The Board of Directors has not established quantitative capital structure criteria for management, but will review on a regular basis the capital structure of the Company to ensure its appropriateness to the stage of development of the business.

The properties in which the Company currently has interest are in the development stage and the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and development and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

In order to facilitate the management of capital and maintenance and development of future mining sites, the Company may issue new equity, incur additional debt, option its properties for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of certain assets. The Company's investment policy is to hold cash in interest bearing accounts at high credit quality financial institutions to maximize liquidity. In order to maximize ongoing development efforts, the Company does not pay dividends. The Company expects to continue to raise funds, from time to time, to continue meeting its capital management objectives.

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009 AND 2008

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

General Standards of Financial Statement Presentation

Effective April 1, 2008, the Company adopted the requirements of the CICA Handbook Section 1400 – General Standards of Financial Statement Presentation which includes an assessment by management of the Company's ability to continue as a going concern. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast doubt upon the Company's ability to continue as a going concern, these uncertainties should be disclosed. The disclosures required by this standard are provided in Note 1.

New Accounting Pronouncements

On April 1, 2009, the Company will be required to adopt CICA Section 3064, Goodwill and Intangible Assets. This new standard provides guidance on the recognition, measurement, presentation and disclosure of goodwill and other intangible assets. The adoption of this standard is not expected to have any material impact on the Company's financial statements.

In January 2009, the CICA issued Section 1582 "Business Combinations" to replace Section 1581. Prospective application of the standard is effective January 1, 2011, with early adoption permitted. This new standard effectively harmonizes the business combinations standard under Canadian GAAP with International Financial Reporting Standards ("IFRS"). The new standard revises guidance on the determination of the carrying amount of the assets acquired and liabilities assumed, goodwill and accounting for non-controlling interests at the time of a business combination.

The CICA concurrently issued Section 1601 "Consolidated Financial Statements" and Section 1602 "Non-Controlling Interests" which replace Section 1600 "Consolidated Financial Statements. Section 1601 provides revised guidance on the preparation of consolidated financial statements and Section 1602 addresses accounting for non-controlling interests in consolidated financial statements subsequent to a business combination. These standards are effective January 1, 2011, unless they are early adopted at the same time as Section 1582 "Business Combinations".

On February 13, 2008, Canada's Accounting Standard Board confirmed January 1, 2011 as the effective date for complete convergence of Canadian GAAP to International Financial Reporting Standards ("IFRS"). The official changeover date will apply for interim and financial statements relating to fiscal years beginning on or after January 1, 2011. The Company has determined that the key elements of this IFRS changeover on the Company will be in the areas of accounting for resource properties' acquisition and exploration costs, impairment of long-lived assets, accounting for share capital including stock options and warrant valuations and general IFRS disclosure requirements. The Company is currently assessing the specific impact on the Company's financial reporting and developing an implementation timetable.

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

Murray Property

The Company acquired a 100% interest in one mineral claim northeast of Yellowknife, Northwest Territories, known as the Murray Property. Pursuant to a Mineral Property Acquisition Agreement dated April 17, 2008 between the Company and Zimtu Capital Corp. ("Zimtu"), the Company acquired the Property for \$15,509 cash. There was a 1% net smelter return royalty and a 1% gross overriding royalty on the Property, in favour of Jody Dahrouge, the original vendor of the property, which was relinquished on May 7, 2009. Zimtu is a related party to the Company by virtue of its controlling share position in the Company. The Change of Business of the Company to a mineral exploration and development company was filed with the Canadian National Stock Exchange ("CNSX") and the Company resumed trading as a mineral exploration company on June 9, 2008.

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009 AND 2008

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (continued)**CAM Property**

The Company acquired by staking two mineral claims northeast of Yellowknife, known as the CAM claims. The CAM claims are located 80 km northeast of Yellowknife and 6 km east-southeast of the Murray Property. The CAM claims include the past producing Camlaren Gold Mine as well as other gold showings.

	Murray Property	CAM Property	Totals
Balance, March 31, 2008	\$ -	\$ -	\$ -
Acquisition costs	15,509	-	15,509
Accommodation and travel	28,530	10,391	38,921
Administrative expenses	2,646	5	2,651
Assay	5,654	86	5,740
Consulting	787	1,007	1,794
Geological expenses	99,913	13,580	113,493
Maps and reports	1,173	601	1,774
Supplies and rentals	10,104	1,666	11,770
Total deferred exploration costs	148,807	27,336	176,143
Balance, March 31, 2009	\$ 164,316	\$ 27,336	\$ 191,652

4. SHARE CAPITAL

- a) Authorized: Unlimited common shares with no par value
- b) Issued and Outstanding

	Number of Shares	Share Capital
Opening balance, March 31, 2007	20,825,000	\$ 2,082,500
Issued during the year:		
Shares issued for cash at \$0.25 per share	1,600,000	400,000
Share issuance costs	-	(90,000)
Balance, March 31, 2008	22,425,000	\$ 2,392,500
Issued during the year:		
Flow Through shares issued for cash at \$0.15 per share	1,000,000	150,000
Shares issued for cash at \$0.15 per share	1,000,000	150,000
Share issuance costs	-	(1,500)
Balance, March 31, 2009	24,425,000	\$ 2,691,000

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009 AND 2008

4. SHARE CAPITAL (continued)

b) Issued and Outstanding (continued)

During the year ended March 31, 2008

On May 18, 2007, the Company completed its public offering of 1,600,000 of its shares at a price of \$0.25 per share for total proceeds of \$400,000.

During the year ended March 31, 2009

On December 31, 2008, the Company completed the first tranche of its public offering of 1,000,000 units at a price of \$0.15 per unit for total proceeds of \$150,000. Each unit consisted of one flow-through common share and one share purchase warrant. Each share purchase warrant is exercisable into one additional common share of the Company at a price of \$0.25 until December 31, 2009. As at March 31, 2009, the flow-through shares have not yet been renounced.

On January 21, 2009, the Company completed the second tranche of its private placement. The Company issued 1,000,000 units at a price of \$0.15 per unit for total proceeds of \$150,000. Each unit consisted of one common share and one share purchase warrant exercisable at \$0.25 per share until January 20, 2010.

The Company applied the residual approach which allocates the net proceeds to the common shares up to their fair value and the balance to the attached warrants. All of the proceeds from the above private placement have been allocated to the common shares.

c) Escrow Shares

The release of the common shares in escrow is as follows:

	To be Released	Released	In Escrow
Opening balance			20,300,000
May 18, 2007	10%	2,030,000	
November 18, 2007	15%	3,045,000	
May 18, 2008	15%	3,045,000	
November 18, 2008	15%	3,045,000	
May 18, 2009	15%	3,045,000	
November 18, 2009	15%	3,045,000	
May 18, 2009	15%	3,045,000	
Total	9,135,000	11,165,000	20,300,000
Less: shares released			(11,165,000)
Balance, March 31, 2009			9,135,000

The Company has a stock option plan whereby the Company is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option equals the market price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 5 years.

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009 AND 2008

4. SHARE CAPITAL (continued)

d) Stock Options

Stock option transactions and the number of stock options outstanding are summarized as follows:

	March 31, 2009	
	Number of Options	Weighted Average Exercise Price
Balance, beginning of year	-	\$ -
Granted	2,492,500	0.21
Cancelled	(50,000)	0.20
Balance, end of year	2,442,500	\$ 0.21

The following stock options were outstanding and exercisable as at March 31, 2009:

Expiry Date	Weighted Average Exercise Price	Weighted Average Number of Shares	Weighted Average Remaining Contractual Life (Years)
June 11, 2013	\$ 0.20	2,192,500	4.19
February 3, 2014	\$ 0.25	250,000	4.84
	\$ 0.21	2,442,500	4.26

The Company applies the fair value method in accounting for its stock options. The Company issued a total of 2,492,500 incentive stock options to directors of the Company resulting in stock-based compensation of \$436,463 (2008 - \$745,000). There were no options exercised or expired during the year ended March 31, 2009. 50,000 options were cancelled on February 3, 2009.

The weighted average fair value of stock options granted during the year ended March 31, 2009 is \$0.17, where the exercise price is above the market price at the date of grant and the fair value of each option granted is calculated using the Black Scholes option pricing model using the following weighted average assumptions:

	March 31, 2009
Risk-free interest rate	2.08% - 3.35%
Expected life of options	5 years
Annualized volatility	137% - 164%
Dividends	0.00%

All options granted by the Company vest on the grant date. 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.

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009 AND 2008

4. SHARE CAPITAL (continued)

e) Warrants

Expiry Date	Number of Warrants	Exercise Price
Balance, March 31, 2008	-	\$ -
December 31, 2009	1,000,000	\$ 0.25
January 21, 2010	1,000,000	\$ 0.25
Balance, March 31, 2009	2,000,000	

5. RELATED PARTY TRANSACTIONS

During the year ended March 31, 2009, the Company paid a director management fees of \$nil (2008 - \$30,000).

During the year ended March 31, 2009, the Company paid a related company \$212,500 in administrative fees. The Company also paid \$15,509, which is the cost incurred by the related party, for the purchase of a property to the related company and has a receivable of \$5,766 from the same related company, which is unsecured, non interest bearing and due on demand.

See also Note 7.

6. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	March 31, 2009	March 31, 2008
Loss before income taxes	\$ (794,587)	\$ (859,495)
Income tax at statutory rates of 30% (31.5%-2008)	(238,376)	(270,741)
Temporary difference	(5,490)	(5,670)
Permanent difference	202	-
Unrecognized item for tax purposes	130,939	234,675
Unrecognized benefits of capital losses	112,725	41,736
Total income tax recovery	\$ -	\$ -

Details of future income tax assets are as follows:

	March 31, 2009	March 31, 2008
Future income tax assets:		
Non-capital losses available for future periods	\$ 201,000	\$ 100,501
Benefit of share issuance costs	20,862	21,960
Valuation allowance	(236,248)	(122,461)
Net future income tax assets	\$ -	\$ -

TRIPLE DRAGON RESOURCES INC.

An Exploration Stage Company

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009 AND 2008

6. INCOME TAXES (continued)

The Company has non-capital losses of approximately \$705,300, which may be carried forward and applied against taxable income in future years. If not utilized, the non-capital losses would expire in 2027 to 2029. The benefits of these losses have not been reflected in these financial statements and have been offset by a valuation allowance since the Company cannot be assured that it is more likely than not that such benefit will be utilized in future year.

7. COMMITMENTS

On May 15, 2008, the Company signed a management services agreement with Zimtu Capital Corp. ("Zimtu") for the provision of administrative and managerial services to the Company for a period of 12 months. On November 30, 2008, the Company revised the agreement to reduce the fee from \$25,000 per month to \$12,500 per month commencing December 1, 2008, for the duration of the agreement.

See Note 8.

8. SUBSEQUENT EVENTS

Subsequent to March 31, 2009, the Company acquired a 100% interest in a mineral lease comprising approximately 100.5 acres in the Northwest Territories known as the May Property. The May Property was acquired from Dave Nickerson for total consideration of \$5,500 cash and the issuance of \$10,000 of common shares of the Company on May 14, 2010, and a further \$15,000 of common shares of the Company on May 14, 2011.

The Management Services Agreement with Zimtu dated May 15, 2008, was extended for a further 12 month term. The monthly remuneration to be paid to Zimtu for these services will remain at the rate of \$12,500 per month (plus GST) and will continue for a further 12 months until May 15, 2010.

See Note 3.