SPIDER RESOURCES INC.

(A development stage company)

Interim Financial Statements

(Unaudited)

(Expressed in Canadian Dollars)

Three and six months ended June 30, 2009

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements of Spider Resources Inc. (A Development Stage Company) were prepared by management in accordance with Canadian generally accepted accounting principles. The most significant of these accounting principles have been set out in the December 31, 2008 audited financial statements. Only changes in accounting policies have been disclosed in these unaudited interim financial statements. Management acknowledges responsibility for the preparation and presentation of the unaudited interim financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company’s circumstances.

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the unaudited interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited interim financial statements and (ii) the unaudited interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited interim financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

Spider Resources Inc.
(A Development Stage Company)
Interim Balance Sheets
(Unaudited)

	June 30, 2009	December 31, 2008
Assets		
Current assets		
Cash	**$ 2,261,080**	$ 3,205,855
Prepaid expenses and sundry receivables	**167,729**	377,939
	2,428,809	3,583,794
Mining interests (Note 5)	**19,293,259**	18,833,397
	$ 21,722,068	$ 22,417,191
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**$ 44,005**	$ 166,081
Future income tax liability	**2,923,025**	2,837,475
	2,967,030	3,003,556
Shareholders' Equity (Statement)	**18,755,038**	19,413,635
	$ 21,722,068	$ 22,417,191

Nature of operations and going concern (Note 1)
Subsequent event (Note 11)

See accompanying notes to unaudited interim financial statements

Spider Resources Inc.
(A Development Stage Company)
Interim Statements of Operations and Comprehensive Loss
(Unaudited)

	Three months ended June 30, **2009**	Three months ended June 30, 2008	Six months ended June 30, **2009**	Six months ended June 30, 2008	Cumulative from January 1, 1995
Revenue					
Sale of geophysical and geochemical data	**$ -**	$ -	**$ -**	$ -	$ 454,168
Gain on sale of mining interests	**-**	-	**-**	-	116,250
	-	-	**-**	-	570,418
Expenses					
Administrative expenses (Note 10)	**328,449**	157,892	**573,047**	280,826	7,178,223
Stock-option compensation (Note 6(b)(i))	**220,100**	-	**220,100**	-	2,497,700
Loss on disposal of property, plant and equipment			**-**	-	10,844
Write-down of marketable securities	**-**	-	**-**	-	43,050
Write-down of investments	**-**	-	**-**	-	794,533
Loss on foreign exchange	**-**	-	**-**	-	37,159
Write-down of mining interests	**-**	-	**-**	-	4,925,236
	548,549	157,892	**793,147**	280,826	15,486,745
Other income and expenses					
Interest	**-**	-	**-**	-	(14,650)
Gain on sale of marketable securities	**-**	-	**-**	-	(134,257)
	-	-	**-**	-	(148,907)
Net loss before income taxes	**(548,549)**	(157,892)	**(793,147)**	(280,826)	(14,767,420)
Future income tax recovery	**-**	-	**-**	-	1,201,074
Net loss and comprehensive loss for the period	**$ (548,549)**	$ (157,892)	**$ (793,147)**	$ (280,826)	$(13,566,346)
Basic and diluted loss per share	**$ (0.00)**	$ (0.00)	**$ (0.00)**	$ (0.00)	
Weighted average shares outstanding	**316,211,767**	308,697,469	**316,211,767**	305,164,295	

See accompanying notes to unaudited interim financial statements

Spider Resources Inc.
(A Development Stage Company)
Interim Statements of Deficit
(Unaudited)

	Three months ended June 30,		Six months ended June 30,		Cumulative from January 1,
	2009	2008	**2009**	2008	1995
Deficit, beginning of period	**$(16,445,688)**	$(15,607,163)	**$ (16,201,090)**	$ (15,484,229)	$ (572,796)
Retroactive restatement of 2001 future tax liability	-	-	-	-	(2,855,095)
Deficit, beginning of period restated	**(16,445,688)**	(15,607,163)	**(16,201,090)**	(15,484,229)	(3,427,891)
Net loss for period	**(548,549)**	(157,892)	**(793,147)**	(280,826)	(13,566,346)
Deficit, end of period	**$(16,994,237)**	$(15,765,055)	**$ (16,994,237)**	$ (15,765,055)	$ (16,994,237)

See accompanying notes to unaudited interim financial statements

Spider Resources Inc.
(A Development Stage Company)
Interim Statements of Changes in Shareholders' Equity
(Unaudited)

	Share Capital	Warrants	Contributed Surplus	Deficit	Total
Balance, December 31, 2007	**$ 30,448,200**	**$ 2,273,397**	**$ 1,822,643**	**$ (15,484,229)**	**$ 19,060,011**
Tax effect of flow-through renunciation	(609,000)	-	-	-	(609,000)
Private placements	295,000	-	-	-	295,000
Warrant valuation	(85,000)	85,000	-	-	-
Broker warrant valuation	(6,580)	6,580	-	-	-
Exercise of stock options	107,235	-	-	-	107,235
Fair value of stock options exercised	31,902	-	(31,902)	-	-
Exercise of warrants	840,600	-	-	-	840,600
Fair value of warrants exercised	267,927	(267,927)	-	-	-
Expiry of warrants	-	(99,919)	99,919	-	-
Cost of issue - cash	(21,150)	-	-	-	(21,150)
Fair value of stock options granted	-	-	457,800	-	457,800
Net loss for the year	-	-	-	(716,861)	(716,861)
Balance, December 31, 2008	**$ 31,269,134**	**$ 1,997,131**	**$ 2,348,460**	**$ (16,201,090)**	**$ 19,413,635**
Tax effect of flow-through renunciation (Note 6(a)(i))	(85,550)	-	-	-	(85,550)
Expiry of warrants	-	(120,751)	120,751	-	-
Fair value of stock options granted (Note 6(b)(i))	-	-	220,100	-	220,100
Net loss for the period	-	-	-	(793,147)	(793,147)
Balance, June 30, 2009	**$ 31,183,584**	**$ 1,876,380**	**$ 2,689,311**	**$ (16,994,237)**	**$ 18,755,038**

See Note 6 for share capital, warrants and contributed surplus from the date of inception of the development stage, January 1, 1995 to June 30, 2009.

See accompanying notes to unaudited interim financial statements

Spider Resources Inc.
(A Development Stage Company)
Interim Statements of Cash Flows
(Unaudited)

	Three months ended June 30, **2009**	Three months ended June 30, 2008	Six months ended June 30, **2009**	Six months ended June 30, 2008	Cumulative from January 1, 1995
Cash flows used in operating activities					
Net loss for the period	**$ (548,549)**	$ (157,892)	**$ (793,147)**	$ (280,826)	$(13,566,346)
Adjustment for					
Gain on sale of mining interests and exploration expenditures	**-**	-	**-**	-	(116,250)
Gain on sale of marketable securities	**-**	-	**-**	-	(134,257)
Loss on disposal of property, plant and equipment	**-**	-	**-**	-	10,844
Write-down of mining interests	**-**	-	**-**	-	4,925,236
Write-down of investments	**-**	-	**-**	-	794,533
Write-down of marketable securities	**-**	-	**-**	-	43,050
Stock-option compensation (Note 6(b)(i))	**220,100**	-	**220,100**	-	2,497,700
Future income tax recovery	**-**	-	**-**	-	(1,201,074)
Amortization	**-**	209	**-**	209	-
Changes in non-cash working capital					
Other receivables	**-**	-	**-**	-	(155,325)
Funds held in trust	**-**	-	**-**	-	2,500
Prepaid expenses and sundry receivables	**225,356**	(72,618)	**210,210**	(199,396)	(45,475)
Accounts payable and accrued liabilities	**(36,912)**	(140,627)	**(122,076)**	(122,870)	500,189
	(140,005)	(370,928)	**(484,913)**	(602,883)	(6,444,675)
Cash flows used in investing activities					
Acquisition of mining interests	**(230,007)**	(385,455)	**(459,862)**	(651,165)	(19,500,986)
Acquisition of property, plant and equipment	**-**	(4,176)	**-**	(4,176)	(61,079)
Proceeds from sale of marketable securities	**-**	-	**-**	-	199,230
Proceeds from disposition of mining interests	**-**	-	**-**	-	124,000
Proceeds from disposition of investments	**-**	-	**-**	-	50,000
Purchase of investments	**-**	-	**-**	-	(695,622)
	$ (230,007)	$ (389,631)	**$ (459,862)**	$ (655,341)	$(19,884,457)

See accompanying notes to unaudited interim financial statements

Spider Resources Inc.
(A Development Stage Company)
Interim Statements of Cash Flows
(Unaudited)

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008	Cumulative from January 1, 1995
Cash flows provided by financing activities					
Proceeds from issuance of share capital	$ -	$ -	$ -	$ -	$ 20,847,020
Proceeds from issuance of warrants	-	-	-	-	2,640,372
Proceeds from exercise of stock options	-	-	-	107,235	878,232
Proceeds from the exercise of warrants	-	709,575	-	840,600	5,001,637
Issuance of convertible debentures	-	-	-	-	300,000
Costs of share issue	-	-	-	-	(2,058,993)
Due from related parties	-	-	-	-	964,489
Repayment of notes payable	-	-	-	-	(22,018)
	-	709,575	-	947,835	28,550,739
Net change in cash	**(370,012)**	(50,984)	**(944,775)**	(310,389)	2,221,607
Cash, beginning of period	**2,631,092**	4,653,526	**3,205,855**	4,912,931	39,473
Cash, end of period	**$ 2,261,080**	$ 4,602,542	**$ 2,261,080**	$ 4,602,542	$ 2,261,080
Supplement schedule of non-cash transactions					
Shares issued for acquisition of mining interests	$ -	$ -	$ -	$ -	$ 1,000,000
Shares issued in settlement of debt	$ -	$ -	$ -	$ -	$ 1,580,069
Shares issued for conversion of convertible debentures	$ -	$ -	$ -	$ -	$ 300,000
Warrants issued in settlement of debt	$ -	$ -	$ -	$ -	$ 28,500

See accompanying notes to unaudited interim financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Spider Resources Inc. (the "Company" or "Spider") is an exploration enterprise and carries on business in one segment, being the exploration for valuable minerals, exclusively in Canada. To date, the Company has not earned significant revenues from its exploration rights and is considered to be in the development stage. As such, the Company has applied Accounting Guideline 11 "Enterprises in the Development Stage" from January 1, 1995, which is the date of inception of the development stage.

The recoverability of amounts shown as mining interests is dependent upon a number of factors including environmental risk, legal and political risk, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying properties, the ability of the Company to obtain necessary financing to complete the development and future profitable production or proceeds from the disposition thereof.

The unaudited interim financial statements are prepared using Canadian generally accepted accounting principles ("GAAP") that are applicable to a going concern which assumes the Company will continue to operate throughout the next twelve months subsequent to June 30, 2009. The use of these principles may be inappropriate since there is significant doubt regarding the appropriateness of this assumption. Significant doubt exists because there has been substantial operating losses in the current and prior years and the Company has no operating assets. The future of the Company is currently dependent upon its ability to obtain sufficient cash from external financing, and/or related parties to fund the Company's ongoing operations and expenditures on its properties.

2. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

The unaudited interim financial statements have been prepared in accordance with Canadian GAAP for interim financial information. Accordingly, they do not include all of the information and notes to the financial statements required by Canadian GAAP for annual financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Operating results for the three and six months ended June 30, 2009 may not necessarily be indicative of the results that may be expected for the year ending December 31, 2009.

The unaudited balance sheet at December 31, 2008 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by Canadian GAAP for annual financial statements. The interim financial statements have been prepared by management in accordance with the accounting policies described in the Company's annual audited financial statements for the year ended December 31, 2008, except as noted below. For further information, refer to the audited financial statements and notes thereto for the year ended December 31, 2008.

Goodwill and Intangible Assets
Effective January 1, 2009, the Company adopted Section 3064 – Goodwill and Intangible Assets which replaced the Canadian Institute of Chartered Accountants ("CICA") Handbook sections 3062 and 3450, EIC-27 and part of Accounting Guideline 11. Under previous Canadian standards, more items were recognized as assets than under International Financial Reporting Standards (“IFRS”). The objectives of CICA 3064 are to reinforce the principle based approach to the recognition of assets only in accordance with the definition of an asset and the criteria for asset recognition and to clarify the application of the concept of matching revenues and expenses such that the current practice of recognizing asset items that do not meet the definition and recognition criteria is eliminated. The portions in the new standard with respect to Goodwill remain unchanged. The provisions relating to the definition and initial recognition of intangible assets intends to reduce the differences with IFRS in the accounting for intangible assets. The new standard also provides guidance for the recognition of internally developed intangible assets (including research and development activities), ensuring consistent treatment of all intangible assets. The adoption of this standard had no impact on the Company’s presentation of its financial position or results of operations as at June 30, 2009.

2. BASIS OF PRESENTATION AND ACCOUNTING POLICIES (continued)

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the CICA approved EIC-173 "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities". This guidance clarified that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities including derivative instruments. This guidance is applicable to fiscal periods ending on or after January 20, 2009. The Company is continually evaluating its counterparties and their credit risks.

Mining exploration costs

On March 27, 2009, the Emerging Issues Committee of the CICA approved an abstract EIC-174 Mining Exploration Costs, which provides guidance on capitalization of exploration costs related to mining properties in particular, and on impairment of long-lived assets in general. The Company has applied this new abstract for the three and six months ended June 30, 2009 and there was no significant impact on its unaudited interim financial statements as a result of applying this abstract.

Future accounting changes

IFRS

In January 2006, the CICA's Accounting Standards Board ("AcSB") formally adopted the strategy of replacing Canadian generally accepted accounting principles with IFRS for Canadian enterprises with public accountability. The current conversion timetable calls for financial reporting under IFRS for accounting periods commencing on or after January 1, 2011. On February 13, 2008 the AcSB confirmed that the use of IFRS will be required in 2011 for publicly accountable profit-oriented enterprises. For these entities, IFRS will be required for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company is currently assessing the impact of IFRS on its financial statements.

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, "Business Combinations", Section 1601, "Consolidated Financial Statements" and Section 1602, "Non-Controlling interests". These new standards will be effective for fiscal years beginning on or after January 1, 2011. Section 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to IFRS 3 - Business Combinations. Sections 1601 and 1602 together replace section 1600, Consolidated Financial Statements. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS lAS 27 - Consolidated and Separate Financial Statements. The Company is in the process of evaluating the requirements of the new standards.

3. CAPITAL MANAGEMENT

The Company defines capital that it manages as its shareholders equity. When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to achieve optimal returns to shareholders and benefits for other stakeholders. Management adjusts the capital structure as necessary in order to support the acquisition, exploration and development of its mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management team to sustain the future development of the business. As at June 30, 2009, total shareholders' equity (managed capital) was $18,755,038 (December 31, 2008 - $19,413,635).

3. CAPITAL MANAGEMENT (continued)

The properties in which the Company currently has an interest is in the exploration stage. As such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration program and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts when economic conditions permit it to do so.

Management has chosen to mitigate the risk and uncertainty associated with raising additional capital within current economic conditions by:

(i) maintaining a liquidity cushion in order to address any potential disruptions or industry downturns;
(ii) minimizing discretionary disbursements;
(iii) reducing or eliminating exploration expenditures which are of limited strategic value; and
(iv) exploring alternate sources of liquidity.

In light of the above, the Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient potential and if it has adequate financial resources to do so.

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

There were no changes in the Company's approach to capital management during the three and six months ended June 30, 2009. The Company is not subject to externally imposed capital requirements. The Company expects that its current capital resources will be sufficient to discharge its liabilities as at June 30, 2009.

4. PROPERTY AND FINANCIAL RISK FACTORS AFFECTING FINANCIAL INSTRUMENTS

(a) Property risk

The Company's mining interests are the only properties that are currently material to the Company. Unless the Company acquires or develops additional material properties, the Company will be solely dependent upon its current mining interests. If no additional mineral properties are acquired by the Company, any adverse development affecting the Company's mining interests would have a material adverse effect on Spider’s financial condition and results of operations.

(b) Financial risk

The Company’s activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate and commodity price risk).

Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management.

4. FINANCIAL RISK FACTORS AFFECTING FINANCIAL INSTRUMENTS (continued)

(b) Financial risk (continued)

Credit risk
Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to sundry receivables. The Company has no significant concentration of credit risk arising from operations. Financial instruments included in sundry receivables consist of sales tax receivable due from government authorities in Canada and deposits held with service providers. Sundry receivables are in good standing as of June 30, 2009. Management believes that the credit risk concentration with respect to financial instruments is minimal.

Liquidity risk
Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at June 30, 2009, the Company had a cash balance of $2,261,080 (December 31, 2008 - $3,205,855) to settle current liabilities of $44,005 (December 31, 2008 - $166,081). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity.

Market risk

(i) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its banks.

(ii) Foreign currency risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using cash flow forecasting. The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is minimal.

(iii) Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Sensitivity analysis

Sundry receivables which are classified for accounting purposes as loans and receivables, are measured at amortized cost. Accounts payable and accrued liabilities are classified for accounting purposes as other financial liabilities, which are measured at amortized cost. Due to the short-term nature of these instruments, their carrying value approximates fair value.

4. FINANCIAL RISK FACTORS AFFECTING FINANCIAL INSTRUMENTS (continued)

Sensitivity analysis (continued)

Fair value represents the amount that would be exchanged in an arm's length transaction between willing parties and is best evidenced by a quoted market price, if one exists.

Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability depends upon the world market price of valuable minerals. Commodity prices have fluctuated significantly in recent years. There is no assurance that, even if commercial quantities of valuable minerals can be produced in the future, a profitable market will exist for them. As of June 30, 2009, the Company was not a producer of valuable minerals. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

5. MINING INTERESTS

	Cumulative Acquisition Costs		Cumulative Deferred Exploration Expenditures	
	June 30, 2009	December 31, 2008	**June 30, 2009**	December 31, 2008
Big Daddy Chromite Deposit (a)	**$ 34,000**	$ 34,000	**$ 2,090,790**	$ 1,769,913
Diagnos	**39**	39	**66,194**	66,919
McFaulds Lake	**-**	-	**6,138,410**	5,999,624
Spider #1	**1,983,760**	1,983,760	**7,379,737**	7,379,737
Wawa	**466,173**	466,173	**1,134,156**	1,133,232
	$ 2,483,972	$ 2,483,972	**$ 16,809,287**	$ 16,349,425

Acquisition costs and deferred exploration expenditures

	June 30, 2009	December 31, 2008
Balance at beginning of period	**$ 18,833,397**	$ 16,823,423
Acquisition cost and deferred exploration expenditures	**459,862**	2,009,974
Balance at end of period	**$ 19,293,259**	$ 18,833,397

On a quarterly basis, management of the Company reviews mining interests to determine if exploration costs are eligible for capitalization. For a description of mining interests owned by the Company, refer to Note 6 of the audited financial statements of Spider as at December 31, 2008. Specific changes to mining interests that occurred from January 1, 2009 to June 30, 2009 are as follows:

(a) On March 27, 2009, the Company negotiated an amendment to the Freewest option agreement whereby the option earn-in calls for a $15 million, three-year commitment. As a result of this amendment, the Company no longer is required to prepare a bankable feasibility study within 18 months, as had been called for in the 2005 agreement, upon successful completion of documentation evidencing such amendment and the receipt of all required approvals. Under the amendment, Spider would have a $7.5 million commitment over the next three years, of which $2.5 million would be required to be spent before March 31, 2010. Spider, KWG and Freewest are in the process of finalizing the formal option agreement and related joint venture agreement where final terms will be set pertaining to earned interest and operatorship.

6. SHARE CAPITAL

(a) COMMON SHARES

Authorized
An unlimited number of common and preference shares issuable in series.

Issued:

	Number of Shares		Amount
Balance, date of Inception on January 1, 1995	**39,239,070**	**$**	**4,099,577**
Private placements	11,284,045		2,468,043
Shares issued for acquisition of mineral properties	150,000		31,000
Exercise of stock options	32,000		6,720
Exercise of warrants	3,414,689		631,904
Balance, December 31, 1995	**54,119,804**		**7,237,244**
Private placements	17,950,100		4,367,344
Exercise of stock options	740,000		155,400
Exercise of warrants	200,000		66,000
Balance, December 31, 1996	**73,009,904**		**11,825,988**
Private placements	4,154,000		1,890,080
Shares issued in settlement of debt	3,913,044		450,000
Exercise of stock options	840,000		176,400
Exercise of warrants	2,050,204		623,954
Balance, December 31, 1997	**83,967,152**		**14,966,422**
Shares issued in settlement of debt	4,608,695		530,069
Balance, December 31, 1998	**88,575,847**		**15,496,491**
Private placements	3,450,000		330,000
Balance, December 31, 1999	**92,025,847**		**15,826,491**
Private placements	13,500,000		1,350,000
Conversion of convertible debt	4,000,000		300,000
Exercise of stock options	621,300		62,130
Balance, December 31, 2000	**110,147,147**		**17,538,621**
Private placements	1,500,000		150,000
Shares issued in settlement of debt	4,500,000		450,000
Exercise of stock options	436,364		43,636
Balance, December 31, 2001	**116,583,511**		**18,182,257**
Retroactive restatement of share issue costs	-		(942,171)
Exercise of stock options	320,000		32,000
Balance, December 31, 2002	**116,903,511**	**$**	**17,272,086**

6. SHARE CAPITAL (continued)

(a) COMMON SHARES (continued)

	Number of Shares		Amount
Balance, December 31, 2002	**116,903,511**	**$**	**17,272,086**
Private placement - flow-through	14,920,000		1,492,000
Private placement - non-flow-through	9,100,000		910,000
Warrant valuation	-		(724,280)
Shares issued in settlement of debt	1,500,000		150,000
Exercise of stock options	2,830,468		283,047
Exercise of warrants	100,000		12,000
Reversal of warrant valuation on exercise of warrants	-		1,900
Costs of issue	-		(191,756)
Balance, December 31, 2003	**145,353,979**		**19,204,997**
Private placement - flow-through	19,409,583		2,675,046
Private placement - non-flow-through	5,000,000		500,000
Warrant valuation	-		(1,350,411)
Broker warrant valuation	-		(158,529)
Conversion of property rights	9,600,000		960,000
Exercise of stock options	4,049,500		410,450
Exercise of warrants	11,650,000		1,398,000
Reversal of warrant valuation on exercise of warrants	-		221,350
Expiry of warrants	-		94,050
Cost of issue - cash	-		(439,665)
Balance, December 31, 2004	**195,063,062**		**23,515,288**
Exercise of stock options	200,000		20,000
Reversal of stock option valuation on exercise of stock options	-		6,260
Exercise of warrants	583,333		74,167
Reversal of warrant valuation on exercise of warrants	-		29,500
Private placement - flow-through	8,276,285		579,340
Warrant valuation	-		(256,565)
Broker warrant valuation	-		(30,622)
Private placements	8,480,000		424,000
Warrant valuation	-		(110,240)
Private placement - flow-through	3,840,000		192,000
Warrant valuation	-		(49,920)
Expiry of warrants	-		382,480
Cost of issue - cash	-		(80,828)
Balance, December 31, 2005	**216,442,680**	**$**	**24,694,860**

6. SHARE CAPITAL (continued)

(a) COMMON SHARES (continued)

	Number of Shares	Amount
Balance, December 31, 2005	**216,442,680**	**$ 24,694,860**
Tax effect of flow-through renunciation	-	(278,610)
Shares issued for mineral property	150,000	9,000
Private placements - flow-through	12,100,855	819,060
Warrant valuation	-	(381,128)
Broker warrant valuation	-	(22,162)
Private placement	2,500,000	150,000
Warrant valuation	-	(57,500)
Expiry of warrants	-	1,503,940
Cost of issue - cash	-	(79,379)
Balance, December 31, 2006	**231,193,535**	**26,358,081**
Tax effect of flow-through renunciation	-	(295,844)
Private placement - flow-through	6,400,000	320,000
Private placement	4,600,000	230,000
Warrant valuation	-	(253,000)
Private placement	400,000	20,000
Warrant valuation	-	(7,245)
Private placement - flow-through	20,000,000	1,800,000
Private placement	10,666,666	960,000
Warrant valuation	-	(1,594,667)
Broker warrant valuation	-	(190,133)
Exercise of warrants	26,998,216	2,676,870
Fair value of warrants exercised	-	622,678
Exercise of stock options	575,000	57,500
Fair value of stock options exercised	-	48,004
Cost of issue	-	(304,044)
Balance, December 31, 2007	**300,833,417**	**30,448,200**
Tax effect of flow-through renunciation	-	(609,000)
Private placement - flow-through	4,700,000	235,000
Warrant valuation	-	(65,800)
Broker warrant valuation	-	(6,580)
Private placement - flow-through	1,200,000	60,000
Warrant valuation	-	(19,200)
Exercise of stock options	1,072,350	107,235
Fair value of stock options exercised	-	31,902
Exercise of warrants	8,406,000	840,600
Fair value of warrants exercised	-	267,927
Cost of issue	-	(21,150)
Balance, December 31, 2008	**316,211,767**	**$ 31,269,134**

6. SHARE CAPITAL (continued)

(a) COMMON SHARES (continued)

	Number of Shares	Amount
Balance, December 31, 2008	**316,211,767**	**$ 31,269,134**
Tax effect of flow-through renunciation (i)	-	(85,550)
Balance, June 30, 2009	**316,211,767**	**$ 31,183,584**

(i) In connection with the issuance of flow-through shares under the private placements during the year of 2008, the Company renounced $235,000 and $60,000 of qualifying expenditures respectively to the shareholders in February 2009. The tax benefits forgone by the Company relating to these renunciations at the future tax rates amounted to $68,150 and $17,400, respectively.

(b) STOCK OPTIONS

The following table reflects the continuity of stock options for the six months ended June 30, 2009:

	Number of Stock Options	Weighted Average Exercise Price ($)
Balance, December 31, 2008	25,485,018	0.12
Granted (i)	7,100,000	0.10
Expired	(2,600,000)	(0.22)
Balance, June 30, 2009	**29,985,018**	**0.11**

The following table reflects the actual stock options issued and outstanding as of June 30, 2009:

Expiry Date	Weighted Average Exercise Price ($)	Outstanding and Exercisable Number of Options	Weighted Average Remaining Contractual Life [Years]
December 23, 2009	0.15	5,600,000	0.48
February 8, 2011	0.10	5,385,018	1.61
July 25, 2011	0.10	1,000,000	2.07
October 2, 2013	0.10	10,900,000	4.26
April 21, 2014	0.10	7,100,000	4.81
	0.11	29,985,018	3.14

(i) On April 21, 2009, the Company granted 7,100,000 options to directors, officers and consultants of Spider exercisable over a five-year period at a price of $.10 per share. The fair value of these options at the date of the grant was estimated using the Black-Scholes valuation model with the following assumptions: a five year expected term, 127% volatility, risk-free interest rate of 1.87% per annum; and a dividend rate of 0%. The fair value assigned to these options was $220,100 which was expensed to the statement of operations with the corresponding amount allocated to contributed surplus as all options vested when granted.

6. SHARE CAPITAL (continued)

(c) WARRANTS

The following table reflects the continuity of warrants from January 1, 1995 to June 30, 2009:

	Number of Warrants	Fair Value
Balance, January 1, 1995	**-**	**$ -**
Private placements	4,150,000	-
Balance, December 31, 1995	**4,150,000**	**-**
Private placements	4,429,550	-
Expiry of warrants	(3,950,000)	-
Exercise of warrants	(200,000)	-
Balance, December 31, 1996	**4,429,550**	**-**
Private placements	2,077,000	-
Expiry of warrants	(864,146)	-
Exercise of warrants	(2,050,204)	-
Balance, December 31, 1997	**3,592,200**	**-**
Private placements	1,650,000	-
Expiry of warrants	(3,592,200)	-
Balance, December 31, 1998 and 1999	**1,650,000**	**-**
Private placements	5,000,000	-
Broker warrants	1,150,000	-
Expiry of warrants	(1,650,000)	-
Balance, December 31, 2000	**6,150,000**	**-**
Private placements	1,500,000	-
Balance, December 31, 2001	**7,650,000**	**-**
Expiry of warrants	(7,650,000)	-
Balance, December 31, 2002	**-**	**-**
Private placement - flow-through	14,920,000	440,080
Private placement - non-flow-through	9,100,000	255,700
Settlement of debt	1,500,000	28,500
Exercise of warrants	(100,000)	(1,900)
Balance, December 31, 2003	**25,420,000**	**722,380**
Private placement - flow-through	14,409,583	1,105,411
Private placement - non-flow-through	5,000,000	245,000
Broker warrants	2,264,705	158,529
Expiry of warrants	(4,950,000)	(94,050)
Exercise of warrants	(11,650,000)	(221,350)
Balance, December 31, 2004	**30,494,288**	**$ 1,915,920**

6. SHARE CAPITAL (continued)

(c) WARRANTS (continued)

	Number of Warrants	Fair Value
Balance, December 31, 2004	**30,494,288**	**$ 1,915,920**
Private placements - flow-through	12,116,285	306,485
Private placement	8,480,000	110,240
Broker warrants	827,629	30,622
Expiry of warrants	(8,320,000)	(382,480)
Exercise of warrants	(583,333)	(29,500)
Balance, December 31, 2005	**43,014,869**	**1,951,287**
Private placement - flow-through	12,100,855	381,128
Private placement	2,500,000	57,500
Broker warrants	671,585	22,162
Expiry of warrants	(21,590,955)	(1,503,940)
Balance, December 31, 2006	**36,696,354**	**908,137**
Private placement - flow-through	11,000,000	253,000
Private placement	400,000	7,245
Private placement - flow-through	30,666,666	1,594,667
Broker warrants on above private placement	3,066,667	190,133
Expiry of warrants	(4,059,737)	(57,107)
Exercise of warrants	(26,998,216)	(622,678)
Balance, December 31, 2007	**50,771,734**	**2,273,397**
Private placement - flow-through	4,700,000	65,800
Broker warrants on above private placement	470,000	6,580
Private placement - flow-through	1,200,000	19,200
Expiry of warrants	(3,382,401)	(99,919)
Exercise of warrants	(8,406,000)	(267,927)
Balance, December 31, 2008	**45,353,333**	**1,997,131**
Expiry of warrants	(5,250,000)	(120,751)
Balance, June 30, 2009	**40,103,333**	**$ 1,876,380**

6. SHARE CAPITAL (continued)

(c) WARRANTS (continued)

The following table summarizes the warrants issued and outstanding as at June 30, 2009:

Expiry Date	Number of Warrants	Exercise Price ($)		Fair Value
October 11, 2009	30,666,666	0.18	$	1,594,667
October 11, 2009	3,066,667	0.09		190,133
November 27, 2010	4,700,000	0.08		65,800
November 27, 2010	470,000	0.08		6,580
December 30, 2010	1,200,000	0.08		19,200
	40,103,333		$	1,876,380

(d) CONTRIBUTED SURPLUS

The following is a continuity of contributed surplus:

Balance, January 1, 1995 to December 31, 2001	**$**	**-**
Stock option compensation		28,000
Balance, December 31, 2002		**28,000**
Stock option compensation		60,575
Balance, December 31, 2003		**88,575**
Stock option compensation		315,825
Balance, December 31, 2004		**404,400**
Reversal of valuation on exercise of stock options		(6,260)
Stock option compensation		566,633
Balance, December 31, 2005		**964,773**
Stock option compensation		848,767
Balance, December 31, 2006		**1,813,540**
Expiry of warrants		57,107
Fair value of options exercised		(48,004)
Balance, December 31, 2007		**1,822,643**
Stock option compensation		457,800
Expiry of warrants		99,919
Fair value of options exercised		(31,902)
Balance, December 31, 2008		**2,348,460**
Stock option compensation (Note 6(b)(i))		220,100
Expiry of warrants		120,751
Balance, June 30, 2009	**$**	**2,689,311**

8. RELATED PARTY TRANSACTIONS NOT DISCLOSED ELSEWHERE

For the three and six months ended June 30, 2009, the Company paid $24,000 and $48,000 respectively (three and six months ended June 30, 2008 - $24,000 and $48,000 respectively) to Nominex Ltd. ("Nominex") a company controlled by the President and director of the Company, for geological and other services. Included in accounts payable and accrued liabilities is $8,400 (December 31, 2008 - $8,400) owing to Nominex for management services provided.

For the three and six months ended June 30, 2009, the Company paid the Vice President of the Company fees totaling $18,000 and $36,000 respectively (three and six months ended June 30, 2008 - $nil).

For the three and six months ended June 30, 2009 legal fees in the amount of $46,950 and $87,320 respectively (three and six months ended June 30, 2008 - $16,102) were paid to a law firm in which the Corporate Secretary is a partner. In addition, as at June 30, 2009, this law firm was owed $nil (December 31, 2008 - $15,000) and this amount was included in accounts payable and accrued liabilities.

For the three and six months ended June 30, 2009, the Company paid $7,500 and $15,000 respectively to Marrelli CFO Outsource Syndicate Inc. ("Marrelli") for the services of Carmelo Marrelli to act as Chief Financial Officer of the Company (three and six months ended June 30, 2008 - $5,000). Carmelo Marrelli is the president of Marrelli. The Chief Financial Officer is also the president of a firm providing accounting services to Spider. During the three and six month ended June 30, 2009, Spider expensed $4,428 and $18,601 respectively, (three and six month ended June 30, 2008 - $13,020 and $19,526 respectively) for services rendered by this firm. In addition, as at June 30, 2009, this firm was owed $1,501 (December 31, 2008 - $2,680) and this amount was included in accounts payable and accrued liabilities.

For the three and six months ended June 30, 2009, the Company paid consulting fees of $15,000 and $25,000 respectively to a director of the Company (three and six months ended June 30, 2008 - $nil).

For the three and six months ended June 30, 2009, the Company paid bonuses of $51,300 to officers of the Company (three and six months ended June 30, 2008 - $nil).

These transactions are in the normal course of operations and are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

9. SEGMENTED INFORMATION

The Company's operations comprise a single reporting operating segment engaged in the business of mineral exploration. As the operations comprise a single reporting segment amounts disclosed in the statements of operations and comprehensive loss for the period and loss per share also represent segment amounts.

All of the Company's operations and assets are located in Canada.

10. ADMINISTRATIVE EXPENSES

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009	Six months ended June 30, 2008
Accounting, tax and corporate services	**$ 11,623**	$ 14,398	**$ 30,344**	$ 27,816
Shareholder relations	**83,219**	50,576	**86,064**	77,815
Professional fees	**54,450**	16,060	**102,320**	24,702
Management fees	**24,000**	24,000	**48,000**	48,446
Transfer agent, listing and filing fees	**1,139**	10,793	**7,829**	20,729
General and administration	**11,211**	2,689	**23,833**	7,016
Travel	**9,041**	4,417	**33,288**	4,417
Occupancy costs	**8,798**	1,250	**12,548**	5,000
Interest and bank charges	**467**	13	**839**	100
Advertising and promotion	**21,141**	3,837	**69,979**	13,226
Consulting fees	**95,800**	25,000	**142,883**	42,000
Insurance	**7,560**	4,650	**15,120**	9,350
Amortization	**-**	209	**-**	209
	$ 328,449	$ 157,892	**$ 573,047**	$ 280,826

11. SUBSEQUENT EVENT

On July 30, 2009, Spider announced the completion of the first tranche of a private placement of 48,333,333 flow-through units at a price of $0.03 per unit, for gross proceeds of $1,450,000. The private placement is part of a larger offering of up to 73,333,333 flow-through units (the “Offering”). Each unit consists of one common share (issued on a flow-through basis) and one-half of one common share purchase warrant. Each full warrant entitles the holder to acquire one common share (which share shall not be issued on a flow-through basis) at a price of $0.05 for a period of one year from the date of issue and thereafter at a price of $0.10 for a period of two years from the date of issue.

Spider engaged IBK to complete the first tranche of the Offering on a best efforts agency basis. Spider paid an aggregate cash commission in the amount of $102,375 to IBK and its selling group agents and issued 4,550,000 broker warrants (“Broker Warrants”) entitling IBK and its selling group agents to purchase up to 4,550,000 common shares in the capital of Spider at a price of $0.03 for a period of one year from the date of issue and thereafter at a price of $0.06 for a period of two years from the date of issue. IBK engaged the following sub-agents in connection with the completion of the first tranche of the Offering: Brant Securities Limited, Octagon Capital Corp., CIBC Wood Gundy, TD Waterhouse Canada Inc., MGI Securities Inc., and Dundee Securities Corporation.

The securities issued under the private placement are subject to a hold period from the date of issuance until November 25, 2009 in accordance with applicable securities laws and TSX Venture Exchange policies.

On August 10, 2009, Spider announced the completion of the second tranche of a private placement with the MineralFields Group of 25,000,000 flow-through units at a price of $0.03 per unit, for gross proceeds of $750,000. Each unit consists of one common share (issued on a flow-through basis) and one-half of one common share purchase warrant. Each full warrant entitles the holder to acquire one common share (which share shall not be issued on a flow-through basis) at a price of $0.05 for a period of one year from the date of issue and thereafter at a price of $0.10 for a period of two years from the date of issue.

11. SUBSEQUENT EVENT

Spider engaged Limited Market Dealer Inc. to complete the second tranche of the Offering on a best efforts agency basis. Limited Market Dealer Inc. was paid an aggregate cash commission of $37,500 and was issued 2,500,000 broker options ("Broker Options"). Each Broker Option is exercisable for one unit (“Option Unit”) at a price of $0.03 for a period of one year from the date of issue and thereafter at a price of $0.06 for a period of two years from the date of issue. Each Option Unit consists of one common share and one-half of one non-transferrable common share purchase warrant. Each full warrant will be exercisable for one common share at a price of $0.05 for a period of one year from the date of issue and thereafter at a price of $0.10 for a period of 24 months from the date of issue.

The securities issued under the private placement are subject to a hold period from the date of issuance until December 8, 2009 in accordance with applicable securities laws and TSX Venture Exchange policies.