

**Sarissa Resources Inc.**  
**UNAUDITED FINANCIAL STATEMENTS**  
**AS OF DECEMBER 31, 2007**

**Sarissa Resources Inc.**  
**UNAUDITED FINANCIAL STATEMENTS**

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**Sarissa Resources Inc.  
BALANCE SHEET**

**ASSETS**

**December 31, 2007**

CURRENT ASSETS

Cash	\$	78
Notes Receivable		60,000
Stock in Creso Resources Inc.		25,707
Consulting Expenses		85,785

OTHER ASSETS

Properties		
Deadmoose Property		162,200
Niobium Property		387,372
Pacaud Property		2,549
Peru Anita project		18,500
Timmins Property		17,840
Total Property		588,460

TOTAL ASSETS	\$	674,245
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**LIABILITIES & SHAREHOLDERS' EQUITY**

CURRENT LIABILITIES

Current Liabilities		
Accounts Payable	\$	51,234
Advances from Shareholders		22,324
Note Payable		6,500
Total Current Liabilities		80,058

LONG TERM LIABILITIES

Loan Payable - Niobium purchase		387,372
Total Long Term Liabilities		387,372

TOTAL LIABILITIES		467,430
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SHAREHOLDERS' EQUITY

Common stock, par value \$0.001; 850,000,000 shares authorized		
725,866,058 issued and outstanding on December 31, 2007		725,866
Additional paid in capital		193,500
Accumulated Deficit		(712,550)
Total Shareholders' equity		206,816

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$	674,245
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**Sarissa Resources Inc.  
STATEMENT OF OPERATIONS**

**For Twelve  
Months Ended  
December 31, 2007**

INCOME	\$	-
	\$	-
EXPENSES		
Advertising Expenses	\$	10,655
Geological and Consulting Expenses		243,845
General and administrative		84,687
Professional Fees		20,501
Travel		1,098
Total Expense	\$	<u>360,786</u>
NET LOSS		(360,786)
OTHER INCOME		
Other Income		-
Early Payment Discounts		5,184
Gain on sale of asset		84,255
Total Other Income		<u>89,439</u>
NET LOSS	\$	<u><u>(271,347)</u></u>
Basic loss per common share		(0.0004)
Weighted average shares outstanding		654,478,658

**Sarissa Resources Inc.**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AND ACCUMULATED DEFICIT**  
**FOR THE PERIOD JANUARY 1, 2007 TO DECEMBER 31, 2007**

	<b>Common Stock</b>		<b>Additional</b>	<b>Accumulated</b>	<b>Total</b>
	<b>Shares</b>	<b>Value</b>	<b>Paid in</b>	<b>Deficit</b>	
	<u>          </u>	<u>          </u>	<u>Capital</u>	<u>          </u>	<u>          </u>
Balance December 31, 2006	448,566,048	\$ 448,566	\$ -	\$ (441,203)	\$ 7,363
Shares issued for services February -March 2007	185,000,000	185,000	20,000	-	205,000
Shares issued for Ecological certificate	10	-	-	-	-
Shares issued for note receivable May 2007	60,000,000	60,000	173,500	-	233,500
Shares issued for services December 07	32,300,000	32,300	-	-	32,300
Net Loss	-	-	-	(271,347)	(271,347)
Balance December 31, 2007	<u>725,866,058</u>	<u>\$ 725,866</u>	<u>\$ 193,500</u>	<u>\$ (712,550)</u>	<u>\$ 206,816</u>

**Sarissa Resources Inc.  
STATEMENT OF CASH FLOWS**

**For Twelve  
Months Ended  
December 31, 2007**

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Net Loss	\$ (271,347)
Adjustments to reconcile Net Loss from Operating Activities:	
Notes Receivable	(60,000)
Stock in Creso Resources Inc.	(25,707)
Accounts Payable	(4,950)
Advances from Shareholders	(5,143)
Loan Payable	(69,440)
Note Payable	6,500
Cash flows from Operating Activities:	(430,088)
 <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Property: Deadmoose	(1,800)
Property: Niobium Property	(387,372)
Property: Pacaud Property	(2,549)
Property: Peru Anita project	(18,500)
Property: Timmins Property	(17,840)
Net cash from Investing Activities:	(428,060)
 <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>	
Loan Payable - Niobium purchase	387,372
Additional paid in capital	193,500
Common stock	277,300
Net cash from Financing Activities:	858,172
NET INCREASE IN CASH AND EQUIVALENTS	24
Cash at beginning of period	54
Cash at end of year	\$ 78

**SARISSA RESOURCES INC.**  
**NOTES TO UNAUDITED FINANCIAL STATEMENTS**

**NOTE 1 – NATURE OF BUSINESS**

Ecological Recycling Co. Inc. was incorporated in the State of Delaware on November 8, 2005. On November 14, 2005 they effected a name change to Michigan Gold Mining Investment Inc. On December 5, 2006, Michigan Gold Mining Investment Inc. changed jurisdiction from Delaware to the State of Nevada and effected a name change to Sarissa Resources Inc.

Sarissa Resources Inc. (the “Company”) is an exploration company engaged in the process of exploring its mineral properties in Canada and Peru. The Company has not yet determined whether these properties contain reserves that can be economically mined. As an exploration stage company, the recoverability of amounts show for exploration expenditures is dependent upon the discovery of reserves that can be economically mined, the securing and maintenance of the interests in the properties, the ability of the Company to obtain the necessary financing to complete the development, and future production or proceeds from the disposition thereof.

On November 30, 2007, Scott Keevil was elected Director, President and CEO; Benedetto Fuschino was elected Director, Secretary and Treasurer, and Dr. Cam Chariton was elected Director.

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles, which contemplate continuation of the Company as a going concern. However, it has sustained continued operating losses and lacks sources of revenue, which creates uncertainty about the Company’s ability to continue operations as a going concern.

The Company’s ability to continue operations as a going concern, to realize its assets and discharge its liabilities is dependent upon obtaining financing sufficient for continued operations as well as the achievement and maintenance of a level of profitable operations. It expects to raise capital in order for it to continue operations.

Management believes that the current business plan if successfully implemented may provide the opportunity for the Company to continue as a going concern.

**NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Unit of Measurement

United States of America currency is being used as the unit of measurement in these financial statements. Monetary assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the exchange rates in effect at the balance sheet date and non-monetary assets and liabilities at the exchange rate in effect at the time of the transactions. Revenues and expenses denominated in foreign currencies are translated using the average exchange rates prevailing throughout the year. Realized gains and losses from foreign currency translations are included.

Use of Estimates

The preparation of financial statements, in conformity with Generally Accepted Accounting Principles and generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosures of contingent assets and liabilities at the date of the

**SARISSA RESOURCES INC.**  
**NOTES TO UNAUDITED FINANCIAL STATEMENTS**

**NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

Cash and cash equivalents consist of cash on hand and cash deposited with financial institutions.

**Stock Based Compensation**

The Company enters into transactions in which goods or services are the consideration received for the issuance of equity instruments. The value of these transactions are measured and accounted for, based on the fair value of the equity instrument issued or the value of the services, whichever is more reliably measurable. The services are expensed in the periods during which the services are rendered.

**Net Loss per Common Share**

The Company calculates net loss per share based on SFAS No. 128, "Earning per Share". Basic loss per share is computed by dividing net loss attributable to common stockholders by the weighted average number of common shares outstanding. Diluted loss per share is computed similar to basic loss per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive.

**Incomes Taxes**

The Company provides for incomes taxes in accordance with SFAS 109, Accounting for Incomes Taxes. SFAS 109 prescribes the use of the liability method. Deferred tax liabilities and assets are determined based on the difference between the financial statement carrying amounts and the tax basis of assets and liabilities and are measured using the enacted statutory tax rates in effect at the balance sheet date. The Company records a valuation allowance to reduce its deferred tax assets when uncertainty regarding their realize-ability exists. There have been no material income tax transactions during the development stage of the business.

**NOTE 3 – OTHER ASSETS**

In 2006, \$24,603 was invested in a mining option in Peru. Subsequently it was determined that a clean title to the mineral options was not available and the investment was written off.

On March 20, 2006, the Company issued 80,200,00 restricted common shares at a price of \$0.0002 per common share for the options rights to Deadmoose property in the Shillington Township, Northern Ontario, and consists of three claim units that measure approximately four hundred and forty acres.

In 2007, an investment was made on a mining option at the St. Nick project in Canada. This was subsequently sold for a gain of \$84,255. The company received \$58,458 in cash and 17,000 shares of Creso Resources Inc. valued at \$25,707.

**SARISSA RESOURCES INC.**  
**NOTES TO UNAUDITED FINANCIAL STATEMENTS**

**NOTE 3 – OTHER ASSETS (continued)**

Also in 2007 an investment for \$18,500 was made in Peru, for the Anita project. The exploration of this property is ongoing.

In November 2007, staked claims were purchased in Timmins and Pacaud Townships for \$20,388.

In December 2007 a purchase agreement was signed for the purchase of land and mineral rights known as Niobium Property in Northern Ontario, Canada. The value of this investment is \$387,372 and will be paid for over 4 years. This is reflected as "Loan Payable – Niobium Property. The seller retained a 2% royalty in the mineral rights. Sarissa shall have the option of purchasing these rights.

**NOTE 4 – LOSS PER SHARE**

As of December 31, 2007, the basic loss per share is (\$0.0004) based on a weighted average of 654,478,658 shares outstanding.

**NOTE 5 – STOCKHOLDERS' EQUITY**

On January 1, 2007 the Company was authorized to issue 950,000,000 shares of which 900,000,000 were common shares and 50,000,000 were preferred. The par value was \$0.001.

On December 12, 2007, the Articles of Incorporation were amended to decrease the number of common shares to be authorized and issued to 850,000,000 and cancel the preferred shares.

On March 10, 2006 they issued 80,200,000 common shares to obtain the Deadmoose property in Canada, for mining options, with a value of \$80,200.

From April though December 2006, a total of 368,365,000 shares of common stock were issued for various services rendered. These valued \$368,365.

In June 2006 the Company selected a new transfer agent. At the time the records were received from the previous transfer agent there were 1,048 shares previously issued and outstanding from the former Michigan Gold Mining Investments Inc. These were valued at \$1 and will be honored if turned in.

In February and March 2007 185,000,000 shares were issued for services provided to the company. These shares were valued at \$185,000.

Also in March 2007, a shareholder turned in an old Ecological Recycling certificate for 10,000 shares. The Board of Directors approved giving them 10 shares in Sarissa Resources.

In May 2007, 60,000,000 common shares were issued and sold for \$60,000. These shares have not been paid for and are reflected as a Note Receivable on the Balance sheet.

**SARISSA RESOURCES INC.**  
**NOTES TO UNAUDITED FINANCIAL STATEMENTS**

**NOTE 5 – STOCKHOLDERS' EQUITY – (continued)**

In November 2007, the shareholders voted to decrease the authorized capital from 900,000,000 common shares outstanding to 850,000,000 shares; and to cancel the 50,000,000 authorized shares of preferred stock. The par value was reduced to \$0.0001.

In December 2007, 32,300,000 shares were issued for services provided. These shares were valued at \$3,230.

As of December 31, 2007, 2007 there were 725,866,058 common shares issued and outstanding.

**NOTE 6- INCOME TAXES**

No provision for federal and state taxes has been recorded since the Company incurred net operating losses.

**NOTE 7 – RELATED PARTY TRANSACTIONS**

The amounts due for Notes Payable and Advances from Shareholders are payable to either shareholders or privately owned companies that are controlled by shareholders, who may also be officers and/or directors of the Company. The amounts payable are non-interest bearing and without fixed terms of repayment.

During the year ended December 31, 2007, the balance owed to shareholders was \$22,324 and the Note Payable was \$6,500.

**NOTE 8- COMMITMENTS AND CONTINGENCIES**

The Company is not currently aware of any legal proceeding or claims that the Company believes will have individually or in the aggregate, a material adverse effect on the Company's financial position or results of operations.

In November 2007, staked claims were purchased in Timmins and Pacaud Townships.

In December 2007 a purchase agreement was signed for the purchase of land and mineral rights known as Niobium Property in Northern Ontario, Canada. This property will be paid for over 4 years, with the seller retaining a 2% royalty in the mineral rights. Sarissa shall have the option of purchasing these rights.

**NOTE 9 – SUBSEQUENT EVENTS**

The January payment on the Niobium property was made.