



INTERIM REPORT

For the Three Months Ended March 31, 2009

(See Notice)



MILLROCK RESOURCES INC.

Notice

Notice of No Auditor Review of the Interim Financial Statements

The accompanying unaudited interim financial statements of Millrock Resources Inc. (“the Company”), for the three months ended March 31, 2009, have been prepared by management and have not been the subject of a review by the Company’s independent auditor.

MILLROCK RESOURCES INC.*(An Exploration Stage Company)***Consolidated Balance Sheets***As at March 31, 2009 and December 31, 2008**(expressed in Canadian dollars)*

ASSETS	31-Mar-2009		31-Dec-2008	
Current				
Cash and cash equivalents	\$	564,364	\$	1,229,734
Security deposit		50,452		48,720
Amounts receivable		238,725		46,024
Due from related parties - Note 8		10,232		10,232
Prepaid expenses		54,819		34,821
		918,592		1,369,531
Advances on exploration expenditures		24,795		24,795
Mineral properties - Schedule, Note 4 and 8		3,741,775		3,257,397
Equipment - Note 5		8,020		8,513
	\$	4,693,182	\$	4,660,236
LIABILITIES				
Current				
Accounts payable and accrued liabilities	\$	233,296	\$	195,879
Project cost advance received		127,756		92,003
Due to related parties		2,000		-
		363,052		287,882
SHAREHOLDERS' EQUITY				
Share capital - Note 6		11,142,642		10,922,792
Obligation to issue shares - Note 4 and 6		-		34,200
Contributed Surplus - Note 6		816,375		815,226
Deficit		(7,628,887)		(7,399,864)
		4,330,130		4,372,354
	\$	4,693,182	\$	4,660,236

Nature of Operations and Ability to Continue as a Going Concern - Note 1

Commitments - Notes 4, 6, and 11

Subsequent events - Notes 4, and 11

Approved by the directors

Gregory Beischer_____
Darryl Cardey

See accompanying notes to the financial statements

MILLROCK RESOURCES INC.*(An Exploration Stage Company)***Consolidated Statements of Operations and Deficit***For the Three Months Ended March 31, 2009 and 2008**(expressed in Canadian dollars)*

	For the Three Months Ended	
	March 31 - 2009	March 31 - 2008
General and administrative expense		
Accounting and audit - Note 8	\$ 29,031	\$ 38,238
Amortization and depreciation	493	219
Bank charge and interest	1,807	1,192
Consulting - Note 8	57,321	62,916
Directors' fees	2,000	-
Filing and listing	7,630	7,764
Foreign exchange (gain)/loss	6,476	(2,057)
Insurance	9,540	2,759
Investor relations	42,224	36,333
Legal	5,019	3,740
Miscellaneous	4,342	4,877
Office expense	26,095	8,507
Rent and storage - Note 8	20,868	6,175
Salaries and benefits	5,378	11,294
Stock-based compensation - Note 6	1,149	13,954
Travel	5,191	17,350
Loss before other items	(224,564)	(213,261)
Other items		
Interest income	(4,204)	6,613
Write-off of mineral properties	(255)	(85,980)
Net loss and comprehensive loss for the period	(229,023)	(292,628)
Deficit, beginning of period	(7,399,864)	(6,145,092)
Deficit , end of period	\$ (7,628,887)	\$ (6,437,720)
Basic and diluted loss per share	\$ (0.01)	\$ (0.02)
Weighted average number of shares outstanding	30,349,546	18,201,939

See accompanying notes to the financial statements

MILLROCK RESOURCES INC.*(An Exploration Stage Company)***Consolidated Statements of Cash Flows***For the Three Months Ended March 31, 2009 and 2008**(expressed in Canadian dollars)*

	For the Three Months Ended	
	March 31-2009	March 31-2008
Cash provided from (used for)		
Operating activities		
Loss for the period	\$ (229,023)	\$ (292,628)
Items not involving cash		
Amortization	493	219
Unrealized foreign exchange (gain) loss	(15,446)	67
Loss on disposal of fixed assets	-	-
Mineral properties write-off	-	85,980
Stock-based compensation	1,149	13,954
	(242,827)	(192,408)
Net change in non-cash working capital items		
Amounts receivable	(159,903)	5,438
Security deposit	-	-
Prepaid expenses	(19,792)	(27,565)
Due from related parties	-	-
Accounts payable and accrued liabilities	33,293	(5,405)
Project cost advance received	29,004	-
Due to related parties	2,000	-
	(358,225)	(219,940)
Investing activities		
Advances on exploration expenditures	-	(61,644)
Mineral properties acquisition and exploration costs	(307,145)	(391,046)
Purchase of equipment	-	-
	(307,145)	(452,690)
Financing activities		
Share purchase and cancellation	-	-
Share issued for cash	-	-
	-	-
Increase (decrease) in cash and cash equivalents	(665,370)	(672,630)
Cash and cash equivalents, beginning of year	1,229,734	1,801,880
Cash and cash equivalents, end of year	\$ 564,364	\$ 1,129,250

See accompanying notes to the financial statements

MILLROCK RESOURCES INC.
(An Exploration Stage Company)

Consolidated Schedule of Mineral Properties

For the Three Months Ended March 31, 2009
(expressed in Canadian dollars)

	<u>Divide</u>	<u>Inmachuck</u>	<u>Iliamna</u>	<u>Fortymile</u>	<u>Arizona</u>	<u>Estelle</u>	<u>Bering Straits</u>	<u>Other Properties</u>	<u>Total</u>
Balance at December 31, 2008	\$ 872,021	\$ -	\$ -	\$ 140,340	\$ 496,859	\$ 351,905	\$ 1,396,272	\$ -	\$ 3,257,397
Addition during the year									
Acquisition cost									
Cash	-	-	-	-	37,548	167,367	62,230	34	267,179
Shares	-	-	-	-	25,650	150,000	10,000	-	185,650
	-	-	-	-	63,198	317,367	72,230	34	452,829
Exploration costs:									
Drilling	-	-	-	-	-	-	-	-	-
Geochemistry	-	-	-	(195)	-	968	8,601	-	9,374
Geology	24,793	-	-	622	34,380	5,100	2,390	-	67,285
Geophysics	-	-	-	-	-	-	-	-	-
Environmental and permitting	248	-	-	-	2,334	327	217	202	3,328
Support and equipment	(23,531)	-	-	-	156,769	65	353	-	133,656
Administration	1,749	-	-	-	2,713	1,580	1,574	19	7,635
	3,259	-	-	427	196,196	8,040	13,135	221	221,278
Less:									
Recoveries	1,629	-	-	-	187,845	-	-	-	189,474
Write off	-	-	-	-	-	-	-	255	255
	1,629	-	-	-	187,845	-	-	255	189,729
Net additions	1,630	-	-	427	71,549	325,407	85,365	-	484,378
Balance at March 31, 2009	\$ 873,651	\$ -	\$ -	\$ 140,767	\$ 568,408	\$ 677,312	\$ 1,481,637	\$ -	\$ 3,741,775

MILLROCK RESOURCES INC.
(An Exploration Stage Company)

Consolidated Schedule of Mineral Properties

For the Year Ended December 31, 2008 and 2007
(expressed in Canadian dollars)

	<u>Divide</u>	<u>Inmachuck</u>	<u>Iliamna</u>	<u>Fortymile</u>	<u>Arizona</u>	<u>Estelle</u>	<u>Bering Straits</u>	<u>Other Properties</u>	<u>Total</u>
Balance at December 31, 2007	\$ 122,874		\$ 51,252	\$ 146,320	\$ -	\$ -	\$ -	\$ 18,414	\$ 338,860
Addition during the year									
Acquisition cost									
Cash	83,071	51,170	-	4,543	416,605	19,537	160,675	33,936	769,536
Shares	44,500	-	-	-	34,200	247,000	36,000	-	361,700
	127,571	51,170	-	4,543	450,805	266,537	196,675	33,936	1,131,236
Exploration costs:									
Drilling	324,156	-	-	-	-	-	296,776	-	620,932
Geochemistry	269,006	1,218	(1,211)	10,471	-	17,038	62,989	22,008	381,517
Geology	142,418	1,019	421	4,920	13,758	28,294	170,351	18,436	379,616
Geophysics	2,935	-	-	-	2,935	-	5,870	2,935	14,676
Environmental and permitting	15,276	-	-	-	4,040	1,706	1,459	530	23,011
Support and equipment	451,353	6	-	8,918	23,375	35,509	629,826	38,180	1,187,167
Administration	57,175	-	-	1,458	1,947	2,823	32,326	1,848	97,576
	1,262,320	2,243	(791)	25,766	46,055	85,369	1,199,597	83,937	2,704,495
Less:									
Recoveries	640,744	-	-	-	-	-	-	-	640,744
Write off	-	53,413	50,461	36,289	-	-	-	136,287	276,450
	640,744	53,413	50,461	36,289	-	-	-	136,287	917,194
Net additions	749,146	-	(51,252)	(5,980)	496,859	351,905	1,396,272	(18,414)	2,918,537
Balance at December 31, 2008	\$ 872,020	\$ -	\$ -	\$ 140,340	\$ 496,859	\$ 351,905	\$ 1,396,272	\$ -	\$ 3,257,397

MILLROCK RESOURCES INC.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

For the Three Months Ended March 31, 2009 and 2008

(Expressed in Canadian dollars)

1. Nature of Operations and Ability to Continue as a Going Concern

Millrock Resources Inc. (the “Company”) is a public company listed on the TSX Venture Exchange. In August 2007, the Company received approval from the TSX Venture Exchange to change its business from an online data service to a mineral exploration company and changed its name to Millrock Resources Inc. from First Factor Developments Inc., a Vancouver based company listed on the NEX board of the TSX Venture Exchange. The Company’s shares commenced trading on the TSX Venture Exchange under the trading symbol “MRO” in August 2007.

The Company is in the business of acquisition, exploration and development of mineral properties and has not yet determined whether these properties contain mineral resources that are economically recoverable (“ore reserves”). The Company’s projects are considered to be in the exploration stage.

These financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that the company will be able to meet its obligations and continue its operations for its next fiscal year. Realization value may be substantially different from carrying value as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At March 31, 2009, the Company had not yet achieved profitable operations, had working capital of \$555,540 (Year end 2008: \$1,081,649) which may not be sufficient to sustain operations over the next twelve months and expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company’s ability to continue as a going concern. The company’s ability to continue as a going concern is dependent upon its ability to generate and maintain future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operation when they come due.

2. Significant Accounting Policies

The consolidated financial statements of the Company have been prepared in accordance with Canadian generally accepted accounting principles. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates, which have been made using careful judgment. Actual results may differ from these estimates.

The consolidated financial statements have, in management’s opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

(a) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its two wholly owned subsidiaries, Millrock Alaska LLC and Millrock Exploration Corporation. Millrock Alaska LLC (Alaska) and Millrock Exploration Corporation were incorporated in the State of Alaska, USA in November 2007 and March 2008 respectively.

MILLROCK RESOURCES INC.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

For the Three Months Ended March 31, 2009 and 2008

(Expressed in Canadian dollars)

2. Significant Accounting Policies (continued)

(b) Use of Estimates

The presentation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Significant areas requiring the use of estimates include impairment of mineral properties, estimates of accounts payable and accrual liabilities, the assumptions used in the determination of the fair value of stock-based compensation, and the determination of the valuation allowance for future income tax assets. Actual results could differ from those estimates.

(c) Financial Instruments

The Company follows CICA Handbook Sections 1530, "Comprehensive Income", Section 3251, "Equity, Section 3855, "Financial Instruments – Recognition and Measurement", Section 3861, "Financial Instruments – Disclosure and Presentation" and Section 3865, "Hedges". Section 1530 establishes standards for reporting and presenting comprehensive income, which is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income that are excluded from net income calculated in accordance with Canadian generally accepted accounting principles.

Section 3861 establishes standards for presentation of financial instruments and non-financial derivatives and identifies the information that should be disclosed about them. Under the new standards, policies followed for periods prior to the effective date generally are not reversed. Section 3865 describes when and how hedge accounting can be applied as well as the disclosure requirements. Hedge accounting enables the recording of gains, losses, revenues and expenses from derivative financial instruments in the same period as for those related to the hedged item.

Section 3855 prescribes when a financial asset, financial liability or non-financial derivative is to be recognized on the balance sheet and at what amount, requiring fair value or cost-based measures under different circumstances. Under Section 3855, financial instruments must be classified into one of these five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are measured in the balance sheet at fair value except for loans and receivables, held-to-maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification, as follows: held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net earnings; available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the investment is derecognized or impaired at which time the amounts would be recorded in net earnings.

Effective January 2008, the Company adopted the CICA guidelines of Section 3862, Financial Instruments – disclosures, and Section 3863, Financial Instruments – Presentation. These standards replace CICA 3861, Financial Instruments – Disclosure and Presentation.

MILLROCK RESOURCES INC.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

For the Three Months Ended March 31, 2009 and 2008

(Expressed in Canadian dollars)

2. Significant Accounting Policies (continued)

(c) Financial Instruments (continued)

These standards 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 Company is exposed to such risk, based on information provided internally to the entity's key management personnel. Note 3 provides the required disclosure under this new accounting standard.

The Company designated cash, cash equivalents and restricted cash as financial assets held for trading. Amounts receivable and due from related parties are designated as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are designated as other financial liabilities, which are measured at amortized cost.

(d) New Accounting Pronouncements

Financial Statement Concepts

CICA Handbook Section 1000 has been amended to focus on the capitalization of costs that meet the definition of an asset and de-emphasizes the matching principle. The revised requirements are effective for annual and interim financial statements relating to fiscal years beginning on or after October 1, 2008. The Company does not expect the adoption of this change to have a great impact on its financial statements.

International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian generally accepted accounting principles ("GAAP") and IFRS over an expected five year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

MILLROCK RESOURCES INC.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

For the Three Months Ended March 31, 2009 and 2008

(Expressed in Canadian dollars)

2. Significant Accounting Policies (continued)

(d) New Accounting Pronouncements (continued)

Goodwill and Intangible Assets

The AcSB issued CICA Handbook Section 3064 which replaces Section 3062, Goodwill and Other Intangible Assets, and Section 3450, Research and Development Costs. The section applies to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008. Accordingly, the Company has adopted the new standards for its fiscal year beginning January 1, 2009. It establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062. The Company does not expect the adoption of this new Section to have a great impact on its financial statements.

(e) Cash and Cash Equivalents

Cash equivalents are highly liquid investments with major financial institutions that have maturities or redemption provisions of three months or less from the date of acquisition.

(f) Mineral Properties

The Company defers the cost of acquiring, maintaining its interest, exploring and developing mineral properties until such time as the properties are placed into production, abandoned, sold or considered to be impaired in value. Cost of producing properties will be amortized on a unit of production basis and costs of abandoned properties are written off. Proceeds received on the sale of interests in mineral properties are credited to the carrying value of the mineral properties, with any excess included in operations. Write-downs due to impairment in value are charged to operations.

The Company is in the process of exploring its mineral properties and has not yet determined the amount of reserves available. Management reviews the carrying value of mineral properties on an annual basis and will recognize impairment in carrying value based upon current exploration results, the prospect of further work being carried out by the Company, the assessment of future probability of profitable revenues from the property or from the sale of the property. Amounts shown for properties represent costs incurred net of write-downs and recoveries, and are not intended to represent present or future values.

(g) Equipment

Equipment consisting of office furniture and computer equipment is recorded at cost less accumulated amortization. Amortization is recorded using the straight line method at annual rates of 20%.

MILLROCK RESOURCES INC.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

For the Three Months Ended March 31, 2009 and 2008

(Expressed in Canadian dollars)

2. Significant Accounting Policies (continued)

(h) Asset Retirement Obligations

The fair value of obligations associated with the retirement of tangible long-lived assets is recorded in the period when the obligation is incurred and a reasonable estimate of the future liability can be determined, with a corresponding increase to the carrying amount of the related assets. The obligations recognized are statutory, contractual or legal obligations. The liability is accreted over time for changes in the fair value of the liability through charges to accretion, which is included in depletion, amortization and accretion expense. The costs capitalized to the related assets are amortized in a manner consistent with the depletion and amortization of the related asset. As at March 31, 2009, the Company had no asset retirement obligations.

(i) Impairment of Long-lived Assets

Canadian generally accepted accounting principles require that long-lived assets and intangibles to be held and used by the Company be reviewed for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset that an entity expects to hold and use may not be recoverable. If changes in circumstances indicate that the carrying amount of an asset that an entity expects to hold and use may not be recoverable, future cash flows expected to result from the use of the asset and its disposition must be estimated. If the undiscounted value of the future cash flows is less than the carrying amount of the assets, impairment is recognized. During the three months ended March 31, 2009, the Company recorded impairment on its mineral properties totalling \$255 (2008: \$85,980).

(j) Stock-based Compensation

The fair value of share purchase options granted is expensed over their vesting period with a corresponding increase to contributed surplus. Upon exercise of share purchase options, the consideration paid by the option holder, together with the amount previously recognized in contributed surplus, is recorded as an increase to share capital.

The Company uses the Black-Scholes option valuation model to calculate the fair value of share purchase options at the date of grant. Option pricing models require the input of highly subjective assumptions, including the expected price volatility. Changes in these assumptions can materially affect the fair value estimate.

(k) Basic and Diluted Loss per Share

Basic loss per share is calculated by dividing the net loss for the year available to common shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share reflect the potential dilution of securities that could share in earnings of an entity. In a loss year, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive. Basic and diluted loss per share are the same for the periods presented.

MILLROCK RESOURCES INC.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

For the Three Months Ended March 31, 2009 and 2008

(Expressed in Canadian dollars)

2. Significant Accounting Policies (continued)

(k) Basic and Diluted Loss per Share (continued)

For the three months ended March 31, 2009, potentially dilutive common shares (relating to share purchase options and warrants outstanding and conditional share issuances pursuant to the Acquisition and mineral property agreements) totaling 11,908,507 (Year end 2008: 11,908,507) were not included in the computation of loss per share because their effect was anti-dilutive.

(l) Foreign Currency Translation

Foreign currency transactions are translated at the rates prevailing on the transaction date. Carrying values of monetary assets and liabilities denominated in foreign currencies are adjusted at each balance sheet date to reflect exchange rates prevailing at the balance sheet date. When incurred, resulting exchange gains or loss are included in operations.

Financial statements of foreign subsidiaries, all of which are integrated, are translated using the temporal method whereby monetary assets and liabilities are translated at the rate of exchange in effect at the balance sheet date, and other assets and liabilities and equity are translated at the rate of exchange prevailing on the transaction date. Revenue and expense items are translated at the average rate prevailing during the period. The resulting exchange differences are included in operations during the period.

(m) Future Income Taxes

The Company has adopted the asset and liability method of accounting for income taxes. Under this method, current income taxes are recognized for the estimated income taxes payable for the current period. Future income tax assets and liabilities are recognized for temporary differences between the tax and accounting basis of assets and liabilities as well as for the benefit of losses available to be carried forward to future years for tax purposes only if it is more likely-than-not that they can be realized.

(n) Capital Disclosure

Effective January 1, 2008 the Company adopted Section 1535 which specifies the disclosure of (i) an entity's objectives, policies and processes for managing capital; (ii) quantitative data about what the entity regards as capital; (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. The Company's policy on management of its capital is described in Note 7.

3. Financial Instruments (Note 7)

(a) Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, security deposit, amounts receivable, due to/from related parties and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to the short term nature of their settlement.

MILLROCK RESOURCES INC.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

For the Three Months Ended March 31, 2009 and 2008

(Expressed in Canadian dollars)

3. Financial Instruments (Note 7) (continued)

(b) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents and receivables are exposed to credit risk. The Company reduces its credit risk on cash and cash equivalent by placing these instruments with institutions of high credit worthiness. As at March 31, 2009 the Company is not exposed to any significant credit risk.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash and cash equivalent balances to enable settlement of transactions on the due date. Accounts payable and accrued liabilities are current.

(d) Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company has cash and cash equivalents of \$41,451, security deposit of \$50,452, and accounts payable of \$58,608 denominated in US dollars. Foreign exchange risk is mitigated by the offset of assets against liabilities and the risk is not significant.

(e) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Included in the loss for the period in consolidated financial statements is interest income on Canadian dollar cash and cash equivalents. As at March 31, 2009, the Company's cash and cash equivalents are subject to or exposed to interest rate risk. However, this risk is not significant.

MILLROCK RESOURCES INC.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

For the Three Months Ended March 31, 2009 and 2008

(Expressed in Canadian dollars)

4. Mineral Properties

(a) Divide

On August 14, 2007, the company signed a Letter of Intent with respect to the Divide Property located on the Seward Peninsula, Alaska. The Company can earn a 50% interest in the project by paying 50% of all costs associated with the Divide Option (an option agreement made between the vendor and the underlying property owner). On August 13, 2008, the Company announced that a definitive option and joint venture agreement has been executed with its partner. The consideration is cash payments of US\$490,000 and issuance of 500,000 common shares of the Company over a five year period as follows:

- US\$7,500 (paid) and 50,000 common shares (issued) upon regulatory approval;
- US\$12,500 (paid) and 50,000 common shares (issued) by February 22, 2008;
- US\$45,000 (paid) and 150,000 common shares (issued) by August 22, 2008;
- US\$75,000 and 250,000 common shares by August 22, 2009;
- US\$125,000 by August 22, 2010;
- US\$225,000 by August 22, 2011;

In addition, the agreement is subject to 2% to 5% royalty on precious metals and 3% on other metals. The Company has the right to reduce the royalty payable on precious metals to 4% and other metals to 2% by paying cash US\$1,000,000 with the joint venture partner at any time before or after the commencement of production. The property is in good standing.

(b) Inmachuk

In March 2007, the company entered into an option agreement with Full Metal Minerals Inc. to earn a 60% interest in 67 mineral claims located in Alaska. Consideration is US\$90,000, the issuance of 800,000 shares, and expenditures of US\$2,500,000 in exploration over the following four years as follows:

- US\$10,000 (paid) upon signing the agreement;
- US\$15,000 (paid) and 100,000 common shares (issued) upon regulatory approval;
- US\$15,000 and 100,000 common shares by April 1, 2008;
- US\$20,000 and 200,000 common shares by April 1, 2009;
- US\$30,000 and 400,000 common shares by April 1, 2010;

MILLROCK RESOURCES INC.

(An Exploration Stage Company)

Notes to Consolidated Financial Statements

For the Three Months Ended March 31, 2009 and 2008

(Expressed in Canadian dollars)

4. Mineral Properties (continued)

(b) Inmachuk (continued)

Exploration Expenditures:

- US\$335,000 by April 1, 2008;
- US\$500,000 by April 1, 2009;
- US\$665,000 by April 1, 2010;
- US\$1,000,000 by April 1, 2011;

The agreement also required the assumption of the obligations of an underlying option agreement between Full Metal Minerals and the claim owner of US\$215,000 payable as follows:

- US\$50,000 by April 1, 2008 (paid);
- US\$65,000 by April 1, 2009;
- US\$100,000 by April 1, 2010;

Subsequent to December 31, 2007, management decided not to perform further exploration at Inmachuk and terminated the option agreement with Full Metal Minerals.. Accordingly the costs incurred to December 31, 2007 of \$559,516 were written off.

In 2008, \$53,413 (US\$50,000) paid to the underlying owner as per the original agreement was written off.

(c) Illiamna

Pursuant to a letter of intent signed September 4, 2007, the Company will had the option to obtain a 60% interest on the Bonanza Hills property located in southwest Alaska by incurring exploration expenditures of US\$3,500,000 and issuing 1,000,000 common shares of the company as follows:

- 100,000 common shares upon regulatory approval;
- 100,000 common shares by September 4, 2008;
- 200,000 common shares by September 4, 2009;
- 300,000 by September 4, 2010;
- 300,000 by September 4, 2011;

Exploration Expenditures:

- US\$30,000 by August 31, 2007;
- US\$220,000 by September 4, 2008;
- US\$500,000 by September 4, 2009;
- US\$1,000,000 by September 4, 2010;
- US\$1,750,000 by September 4, 2011.

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4. Mineral Properties (continued)

(c) Iliamna (continued)

In 2008, management decided not to proceed with the option agreement and the costs incurred to date of \$51, 252 were written off.

(d) Forty Mile

During the year ended December 31, 2007, the Company announced that, through staking, it had acquired the mineral rights to approximately 7,965 hectares located in the State of Alaska in three discrete blocks within the Forty Mile mining district. At the end of 2008, the Company decided not to proceed with the Golden Dust claim and the cost to date (\$36,289) was written off. The Company intends to continue exploration of the remaining claims in this project.

(e) Arizona

On January 14, 2008, the Company entered into three agreements to purchase three properties, Dry Mountain, Galiuro and San Jose located in southeastern Arizona. A cash payment of US\$20,000 for each property, totaling US\$60,000, has been paid and issuance of 20,000 common shares for each property totaling 60,000 had been issued subsequently. A further US\$10,000 and 15,000 shares is payable to the owner for each property within 30 days of anniversary date as long as the Company holds the property, and a payment of US\$2 million for each property totaling US\$6 million is to be paid upon commercial production. US\$30,000 and 45,000 common shares had been issued for the 2009 anniversary.

In addition, the Company agreed to incur cumulative expenditures for each property as follows:

US\$100,000 by January 14, 2009 - achieved

US\$ 500,000 by January 14, 2010

US\$1,500,000 by January 14, 2011

The expenditure commitment on the Galiuro property was extended by one year.

(f) Estelle

On April 2, 2008, the Company entered into an agreement with Talon Gold Alaska Inc., a subsidiary of International Tower Hill Mines (ITH) to acquire its rights to the South Estelle gold property 160 kilometres northwest of Anchorage, Alaska in the Rainy Pass district. Consideration of 650,000 common shares was issued on April 14, 2008. ITH will retain a 1% NSR royalty. By virtue of the agreement, Millrock had the option to earn up to an 80% interest in the property from the underlying property owners. The Company could have earned a 51% interest by expending US\$2 million by the end of 2009, a 70% interest by expending a cumulative US\$5 million by the end of 2011, and 80% by tabling a positive feasibility study. A further 2.5% NSR royalty may have become payable to the underlying property owners under certain conditions. In February 2009, Millrock negotiated purchase of the property from the underlying property owners, Hidefield Gold Plc and Mines Trust Co. As a result of the purchase Millrock now owns a 100% interest in the claims. The consideration to be paid is

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4. Mineral Properties (continued)**(f) Estelle (continued)**

\$125,000 (paid) and 1.25 million Millrock shares (issued). A royalty of 2.5% is payable from any production (1% to Hidefield, 1% to Mines Trust of which 0.5% may be bought back for \$1 million, and 1% to ITH).

(g) Bering Straits

On April 18, 2008, The Company signed an exploration agreement with Golden Glacier Inc. which grants the Company exclusive rights to explore and develop mineral deposits as well as an option to lease the land. The agreement has a five year term and requires exploration expenditures of US\$4 million, option payments of US\$550,000, scholarship fund contributions of US\$40,000, the issue of 1,000,000 shares, and lease payments as follows:

<u>Exploration Expenditures</u>	<u>Amount</u>
Effective Date through December 31, 2008	US\$ 300,000 (incurred)
Calendar Year 2009	US\$ 500,000
Calendar Year 2010	US\$ 700,000
Calendar Year 2011	US\$1,000,000
Calendar Year 2012	US\$1,500,000

<u>Option Payments</u>	<u>Amount</u>
Upon execution of the Agreement	US\$ 30,000 (paid)
On or before January 1, 2009	US\$ 50,000 (paid)
On or before January 1, 2010	US\$ 70,000
On or before January 1, 2011	US\$ 150,000
On or before January 1, 2012	US\$ 250,000

<u>Contribution to Bering Straits Foundation Scholarship Fund</u>	<u>Amount</u>
Upon execution of the Agreement	US\$ 5,000 (paid)
On or before January 1, 2009	US\$ 5,000 (paid)
On or before January 1, 2010	US\$ 10,000
On or before January 1, 2011	US\$ 10,000
On or before January 1, 2012	US\$ 10,000

<u>Shares</u>	<u>Number of Shares</u>
30 days after execution of the Agreement	100,000 (issued)
On or before January 1, 2009	100,000 (issued)
On or before January 1, 2010	200,000
On or before January 1, 2011	300,000
On or before January 1, 2012	300,000

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4. Mineral Properties (continued)

(g) Bering Straits (continued)

If a lease option is exercised, the lease agreement will require an annual advanced minimum royalty payment which would be credited against a production royalty that ranges between 2.5% and 5% on a sliding scale tied to the gold price and for all other metals and recoverable commodities, 2% of all net smelter returns received by the Company. The advance royalties will be payable as follows:

<u>Due Date</u>	<u>Amount</u>
Upon execution of the Sublease	US\$ 50,000
The first Anniversary Date through the fourth Anniversary Date	US\$ 100,000
The fifth Anniversary Date through the ninth Anniversary Date	US\$ 200,000
The tenth Anniversary Date through the fourteenth Anniversary Date	US\$ 300,000
The fifteenth Anniversary Date through the nineteenth Anniversary Date	US\$ 400,000

The Company will have to pay upon execution of the Sublease and thereafter annually a Disturbed Land fee of US\$50,000, so long as the quantity of Disturbed Lands does not exceed 400 acres. In the event that the Disturbed Lands exceed 400 acres, the Disturbed Land fee shall increase to \$100,000.

The Company shall perform US\$1,000,000 worth of exploration, development or mining work on or for the benefit of the Lands during each Sublease Year. Upon submission of a Feasibility Study, the work commitment shall be reduced to \$500,000 annually until commencement of Commercial Production.

The Company shall provide \$20,000 per year during the term of the sublease for a scholarship program to the BSNC Foundation. The first such scholarship payment shall be payable within thirty days of execution of the sublease; remaining payments shall be payable on the anniversary date.

(h) Other Properties

The Company evaluated a number of prospects known to exist on open ground and on the claims of others. As of March 31, 2009, the Company decided not to proceed with any exploration activities on several properties and all the costs incurred to date, which are listed below, have been written off:

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4. Mineral Properties (continued)**(h) Other Properties (continued)**

Other Properties	Millrock Ownership	Written Off Cost			
		31-Mar-09	2008	2007	Total
Porcupine	100%	53	72,828	18,414	91,295
Ketchem	100%	202	38,902	-	39,104
Mystery	100%	-	3,104	-	3,104
Kemuk	100%	-	3,039	-	3,039
Total Other Properties Cost		\$ 255	\$ 117,873	\$ 18,414	\$ 136,542

5. Equipment

March 31, 2009	Cost	Accumulative Amortization	Net Book Value
Office equipment	\$ 10,546	\$ 2,526	\$ 8,020
	\$ -	\$ 2,526	\$ 8,020

December 31, 2008	Cost	Accumulative Amortization	Net Book Value
Office equipment	\$ 10,546	\$ 2,033	\$ 8,513
	\$ 10,546	\$ 2,033	\$ 8,513

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6. Share Capital**(a) Authorized**

Unlimited common shares without par value.

(b) Issued and outstanding common shares

	Number of Shares	Share Capital	Contributed Surplus
Balance December 31, 2007	18,201,939	\$ 8,134,747	\$ 492,932
Issued for cash pursuant to			
Private placements	11,001,000	2,750,250	
Issued for mineral properties	950,000	327,500	
Issued for finder's fees	58,940	14,735	
Share issue costs		(304,440)	102,115
Stock based compensation			220,179
Balance December 31, 2008	30,211,879	\$ 10,922,792	\$ 815,226
Issued for mineral properties	1,455,000	219,850	
Stock based compensation			1,149
Balance March 31, 2009	31,666,879	\$ 11,142,642	\$ 816,375

On January 12, 2009, the Company issued 105,000 common shares valued at \$59,850 for the Dry Mountain, San Jose, and Galiuro properties in Arizona.

On February 17, 2009, the Company issued 100,000 common shares valued at \$10,000 pursuant to the Bering Straits property.

On February 26, 2009, the Company issued 1,250,000 common shares valued at \$150,000 for the Estelle property.

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6. Share Capital (continued)**(c) Stock Options**

The company has a stock option plan whereby the maximum number of shares reserved for issue under the plan shall not exceed 10% of the outstanding common shares of the Company, as at the date of the grant. The maximum number of common shares reserved for issue to any one person under the plan cannot exceed 5% of the issued and outstanding number of common shares at the date of grant and the maximum number of common shares reserved for issue to a consultant or a person engaged in investor relations activities cannot exceed 2% of the issued and outstanding number of common shares at the date of grant. The exercise price of each option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the TSX). Options may be granted for a maximum term of five years from the date of the grant, are non-transferable and expire within 90 days of termination of employment or holding office as director or officer of the Company. Unless otherwise stated, share purchase options vest when granted.

Information regarding the Company's outstanding share purchase options is summarized as follows:

	Shares	Weighted Average Exercise Price
Outstanding at December 31, 2007	1,485,000	\$ 0.46
Granted on April 1, 2008	150,000	\$ 0.36
Granted on Aug 21, 2008	880,000	\$ 0.25
Forfeited on Oct 10, 2008	(150,000)	\$ 0.45
Forfeited on Oct 10, 2008	(125,000)	\$ 0.25
Outstanding at December 31, 2008 and March 31, 2009	2,240,000	\$ 0.38
Exercisable at March 31, 2009	2,215,000	\$ 0.38

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6. Share Capital (continued)**(c) Stock Options (continued)**

The following table summarizes the company's outstanding share purchase options as of March 31, 2009.

Number of Shares	Exercise Price	Expiry Date
950,000	\$ 0.45	5/29/2012
75,000	\$ 0.45	8/7/2012
150,000 *	\$ 0.45	10/1/2012
100,000 *	\$ 0.55	11/21/2012
60,000	\$ 0.56	12/6/2012
150,000	\$ 0.36	4/1/2013
755,000 *	\$ 0.25	8/21/2013
2,240,000		

*These options vest as to 25% three months after the date granted and 25% every three months thereafter.

The weighted average life remaining of options outstanding at March 31, 2009 is 3.70 years.

(d) Share Purchase Warrants and Agent Warrants

As of March 31, 2009, the Company had outstanding warrants and agent warrants for the purchase of 9,668,507 common shares, as follows:

	Number of Shares	Exercise Price	Expiry Date
Outstanding at December 31, 2007	3,900,584		
Issued on May 26, 2008	5,500,500	\$ 0.50	5/26/2009
		\$ 0.75	5/26/2010
Issued on May 26, 2008	562,450	\$ 0.25	5/26/2009
Agent warrants expired, Aug 07, 2008	(137,667)	\$ 0.45	8/7/2008
Agent warrants expired, Nov 2, 2008	(157,360)	\$ 0.45	11/2/2008
Outstanding at December 31, 2008 and March 31, 2009	9,668,507		

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7. Management of Capital

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, to pursue the development of its mineral properties, and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, or acquire or dispose of assets. As at March 31, 2009, the Company has not entered into any debt financing.

The Company is dependent on the capital markets as its sole source of operating capital and the Company's capital resources are largely determined by the strength of the junior resource markets, the status of the Company's projects in relation to these markets and its ability to compete for investor support of its projects.

8. Related Party Transactions

The Company incurred charges with directors and officers and companies with directors and officers in common as follows:

	2009		2008
Accounting	\$ 7,500	\$	20,347
Consulting fee	93,813		77,890
Mineral Properties-Geological Consulting	-		340,838
Directors' fee	2,000		-
	\$ 103,313	\$	439,075

These charges were in the normal course of operations and were measured by the exchange amount which is the amount agreed upon by the transacting parties.

(a) As of March 31, 2009, due from related parties includes \$10,232 (Year end 2008: \$10,232) advanced to a director for travel expense. These amounts are unsecured, do not bear interest and have no fixed terms of repayment. Amount due to related parties includes \$2,000 directors' fees payable.

9. Non-cash Transactions

Investing and financing activities that do not have a direct impact on current cash flow were excluded from the cash flow statements. During the three months ended March 31, 2009, 1,455,000 (2008: 150,000) shares valued at \$219,850 (2008: \$67,750) were issued pursuant to mineral property acquisition agreements. The values were determined based on the market value of the shares when issued.

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10. Subsequent events

- (a) On April 16, 2009- the Company announced that it had successfully collaborated with its' Galiuro project partner, Vale Exploration Canada Inc. ("VEC") to complete a March 2009 geological mapping program. An airborne geophysical survey took place in April 2009. These exploration programs are being carried out on the Galiuro property to obtain information required for an initial drilling campaign on the property, which is located in southeastern Arizona.
- (b) On May 8, 2009 the Company announced that Kulwant Sandher would be named as CFO to replace Michael Chen. On the same date, the Company announced the promotion and appointment of Sarah Whicker to the position of Vice-president, Sustainable Development.
- (c) On May 8, 2009, the Company granted 750,000 stock options to officers, directors and employees exercisable at \$0.18 per share for a period of five years.

11. Contingency

On December 13, 2007, the Company entered into an agreement with Black Rock Drilling Corp. (Black Rock) to prepay US\$228,000 for certain drilling services to be undertaken by Black Rock. The prepayment would be applied against invoices issued by Black Rock in connection with the drilling activities. On October 15, 2008, Black Rock issued an invoice to the Company for US\$284,777 relating to the drilling activities which the Company disputed for work not performed in accordance with agreement. The Company considers that the balance of the invoice of US\$56,777 is not owing to Black Rock and it was not included in accounts payable as at March 31, 2009.

The Company has received a litigation claim from a consultant alleging loss of compensation. After discussions with counsel, it is the opinion of management that the litigation is frivolous and strongly denies any wrong doing. It is the opinion of management that such litigation is not expected to have a material adverse effect on the Company's consolidated results of operations or financial position.