

**METALQUEST MINERALS INC.**  
**(Formerly Sonora Gold Corp.)**

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2007**

**Unaudited – Prepared by Management**

**(See Notice to Reader)**

## NOTICE TO READER

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These financial statements have been prepared by management of the Company. We have compiled the interim balance sheet of MetalQuest Minerals Inc. as at September 30, 2007 and the interim statements of loss and deficit and cash flows for the three and nine months then ended. Independent accountants have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

**MetalQuest Minerals Inc.**  
**(Formerly Sonora Gold Corp.)**  
**Interim Consolidated Balance Sheets**  
For the Period Ended September 30, 2007

<b>ASSETS</b>	<b>2007</b>	<b>2006</b>
<b>Current</b>		
Cash	\$ 625,755	\$ 175,674
Accounts receivable	12,180	5,647
Prepaid expenses	30,832	26,725
	<b>668,767</b>	208,046
<b>Shares of Animas Resources Inc. - (Note 5)</b>	<b>1,470,000</b>	-
<b>Long Term Receivable - (Note 5)</b>	<b>1,568,250</b>	-
<b>Reclamation Bond</b>	<b>13,000</b>	-
<b>Equipment (Note 4)</b>	<b>112</b>	112
<b>Resource Property Costs - (Note 5)</b>	<b>1,166,025</b>	5,026,001
<b>Incorporation Costs</b>	<b>1,050</b>	1,050
	<b>\$ 4,887,204</b>	<b>\$ 5,235,209</b>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 44,091	\$ 368,738
Due to related parties (Note 6)	-	47,795
	<b>44,091</b>	416,533
<b>Future Income Tax</b>	-	1,263,850
	<b>44,091</b>	1,680,383
<b>SHAREHOLDERS' EQUITY</b>		
<b>Share Capital (Note 7)</b>	<b>12,172,153</b>	11,654,778
<b>Contributed Surplus (Note 8)</b>	<b>1,334,215</b>	1,229,162
<b>Deficit</b>	<b>(8,663,255)</b>	(9,329,114)
	<b>4,843,113</b>	3,554,826
	<b>\$ 4,887,204</b>	<b>\$ 5,235,209</b>

ON BEHALF OF THE BOARD:

"David McMillan", Director

"Harold Forzley", Director

**MetalQuest Minerals Inc.**  
**(Formerly Sonora Gold Corp.)**  
**Interim Consolidated Statements of Loss and Deficit**

For the Period Ended September 30, 2007 and 2006

	<b>3 Months to Sept 30 2007</b>	3 Months to Sept 30 2006	<b>9 Months to Sept 30 2007</b>	9 Months to Sept 30 2006
<b>General and Administrative Expenses</b>				
Accounting and audit fees <i>(Note 9 and Note 10)</i>	\$ 11,569	10,897	\$ 61,673	45,401
Consulting fees <i>(Note 9 and Note 10)</i>	24,875	16,912	74,126	56,336
Director's fees <i>(Note 9 and Note 10)</i>	16,006	15,295	51,441	51,694
Gain on foreign exchange loss (gain)	33,585	33,568	7,188	(846)
Interest and bank charges	336	192	1,131	990
Investor relations	5,558	3,191	16,069	24,405
Legal	21,037	4,286	39,441	30,451
Management fees <i>(Note 9 and Note 10)</i>	27,481	19,588	67,031	51,264
Office and administrative	13,914	19,802	42,806	29,220
Transfer agent, listing and filing fees	10,166	2,920	22,450	19,951
Travel and promotion	1,725	2,346	16,385	15,890
<b>Loss Before Extraordinary Item:</b>	<b>(166,252)</b>	<b>(128,997)</b>	<b>(399,741)</b>	<b>(324,756)</b>
Gain from disposition of Mexican Subsidiaries <i>(Note 5)</i>	1,065,601	-	1,065,601	-
<b>Gain (Loss) for the Period:</b>	<b>899,349</b>	<b>(128,997)</b>	<b>665,860</b>	<b>(324,756)</b>
Deficit - Beginning of year	9,562,604	9,074,744	9,329,115	8,878,985
<b>Deficit - End of the Period</b>	<b>\$ 8,663,255</b>	<b>9,203,741</b>	<b>\$ 8,663,255</b>	<b>9,203,741</b>
<b>Weighted Average Number of Shares</b>				
<b>Outstanding</b>	<b>74,017,038</b>	<b>46,835,241</b>	<b>73,958,214</b>	<b>44,155,012</b>
<b>Gain (Loss) per Share - Basic and Diluted</b>	<b>\$ 0.013</b>	<b>(0.003)</b>	<b>\$ 0.009</b>	<b>(0.007)</b>

- See accompanying notes to the consolidated financial statements -

**MetalQuest Minerals Inc.**  
**(Formerly Sonora Gold Corp.)**  
**Consolidated Statements of Cash Flows**

For the Period Ended September 30, 2007 and 2006

<b>Cash Resources Provided By (Used In)</b>	<b>3 Months to Sept 30 2007</b>	<b>3 Months to Sept 30 2006</b>	<b>9 Months to Sept 30 2007</b>	<b>9 Months to Sept 30 2006</b>
<b>Operating Activities</b>				
Gain (Loss) for the period	\$ 899,349	(128,997)	\$ 665,860	(324,756)
Items not affected by cash				
Stock-based compensation (Note 9)	35,681	22,942	105,053	81,180
Gain from disposition of Mexican Subsidiaries (Note 5)	(1,065,601)	-	(1,065,601)	-
Changes in non-cash working capital balances:				
Changes in accounts receivable	797	4,070	(6,533)	(1,945)
Changes in accounts payable	(40,489)	37,778	(372,442)	41,815
Prepaid expenses	4,103	(10,000)	(4,107)	(33,000)
	<b>(166,160)</b>	<b>(74,207)</b>	<b>(677,770)</b>	<b>(236,706)</b>
<b>Investing Activities</b>				
Reclamation bond	(13,000)	-	(13,000)	-
Resource property costs	(10,415)	(87,934)	(155,935)	(165,104)
	<b>(23,415)</b>	<b>(87,934)</b>	<b>(168,935)</b>	<b>(165,104)</b>
<b>Financing Activities</b>				
Shares issued - for cash, net	-	-	517,375	-
Cash from disposition of Mexican Subsidiaries (Note 5)	679,575	-	726,386	114,310
Cash from San Enrique Greta Joint Venture (Note 5)	53,025	147,190	53,025	147,190
	<b>732,600</b>	<b>147,190</b>	<b>1,296,786</b>	<b>261,500</b>
<b>Net Increase (Decrease) in Cash</b>	<b>543,025</b>	<b>(14,951)</b>	<b>450,081</b>	<b>(140,310)</b>
Cash position - Beginning of year	82,730	29,860	175,674	155,220
<b>Cash Position - End of Year</b>	<b>\$ 625,755</b>	<b>14,909</b>	<b>\$ 625,755</b>	<b>14,909</b>
<b>Supplemental Cash Flow Information</b>				
Interest paid	\$ 336	192	\$ 1,131	990

- See accompanying notes to the consolidated financial statements -

**MetalQuest Minerals Inc.**  
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**Notes to the Interim Consolidated Financial Statements**

For the Nine-Month Period Ended September 30, 2007 and 2006

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**1. Continued Operations**

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

Adverse conditions and events cast substantial doubt upon the validity of this assumption. The Company has incurred significant operating losses over the past several fiscal years. At September 30, 2007, the Company had working capital of \$624,676 (September 30, 2006 – deficit \$160,906). For the nine month period ended, the Company received an aggregate of \$726,386 in cash, 1,500,000 escrowed shares of the purchaser valued at \$1,470,000, and three additional payments of US\$500,000 in cash or common shares of the purchaser receivable after the first, second and third anniversaries of the closing date for the disposition of the Company's Mexican subsidiaries including First Silver Reserve S.A. de C.V. and Recursos Escondidos S.A. de C.V (Note 5). The Company also received \$517,375 for stock options exercised and subscriptions receivable on the Company's December 28, 2006 private placement.

The Company's ability to continue as a going concern is dependent upon its ability to accomplish the following:

- raise additional capital through the issuance of treasury shares or debt;
- achieve profitable operations in the future;
- receive continued financial support from its general and related creditors.

If the going concern assumption were not appropriate for these consolidated financial statements, then adjustments would be necessary in the carrying values of assets and liabilities, the reported revenues and expenses, and the balance sheet classifications used.

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**2. Significant Accounting Policies**

**a) Consolidation and Nature of Operations**

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries as follows:

- Minera Montana Roja, S.A. de C.V. ("MMR");
- Red Tusk Resources Inc. ("Red Tusk").

The Company is engaged in the exploration and development of mineral properties. The Company currently have one principal mineral property asset located in British Columbia.

**b) Share Capital**

- The proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company.
- Share capital issued for non-monetary consideration is recorded at an amount based on fair market value

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**Notes to the Interim Consolidated Financial Statements**

For the Nine-Month Period Ended September 30, 2007 and 2006

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**2. Significant Accounting Policies - Continued**

**c) Stock-Based Compensation**

All stock-based awards made to employees and non-employees are measured and recognized using a fair value based method. For employees, the fair value of the options is measured at the date of the grant. For non-employees, the fair value of the options is measured on the earlier of the date at which the counterparty performance is complete or the date the performance commitment is reached or the date at which the equity instruments are granted if they are fully vested and non-forfeitable. For employees and non-employees, the fair value of the options is accrued and charged to operations, with the offsetting credit to contributed surplus, on a straight-line basis over the vesting period. If and when the stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to share capital. The Company uses the Black-Scholes option pricing model to estimate the fair value of stock-based compensation.

**d) Fair Value of Financial Instruments**

The Company's financial instruments consist of cash, accounts receivable, accounts payable and balances due to related parties. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risks arising from the financial instruments. A portion of the accounts payable are denominated in Mexican Pesos, therefore the Company is exposed to currency risk in that the Canadian dollar value of the payables will fluctuate due to changes in foreign exchange rates. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

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**3. Business Combination**

**Red Tusk Resources Inc.** - On July 11, 2006 the Company acquired 96.30% of the issued and outstanding shares of Red Tusk Resources Inc. ("Red Tusk") for consideration of \$523,250. Red Tusk is engaged in the business of mineral exploration and has an option to acquire a 100% undivided legal and beneficial interest in 16 mineral claims located in the Liard Mining Division of British Columbia, Canada ("the RHG Property").

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**4. Equipment**

			Net book value	
	Cost	Accumulated Depreciation	September 30 2007	December 31 2006
Office furniture	\$ 449	337	112	112
Vehicle	5,771	5,771	-	-
	<b>\$ 6,220</b>	<b>6,108</b>	<b>112</b>	<b>112</b>

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**MetalQuest Minerals Inc.**  
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**Notes to the Interim Consolidated Financial Statements**

For the Nine-Month Period Ended September 30, 2007 and 2006

**5. Resource Property Costs**

	2007	2006
<b>Mexico</b>		
<i>Santa Gertrudis</i>		
Assays	\$ -	\$ 686
Drilling	-	1,837
Salaries and fees	-	96,533
Surface access fee	-	40,131
Environmental costs	-	518
Equipment rental	-	1,557
Other (legal, administrative and professional fees)	<b>106,324</b>	101,544
Annual mining taxes (recovery)	<b>(28,933)</b>	74,930
Recovery of costs	<b>(46,811)</b>	(269,782)
Future income tax	-	149,447
	<b>30,580</b>	197,401
<i>Roca Roja</i>		
Assays	-	-
Drilling	-	-
Salary and fees	-	-
Environmental costs	-	-
Equipment rental	-	-
Other (legal, administrative and professional fees)	<b>31,138</b>	55,081
Annual mining taxes	<b>5,227</b>	36,297
Future income tax	<b>26,268</b>	(46,593)
	<b>62,633</b>	44,785
<b>Canada</b>		
RHG Property		
Acquisition cost	-	1,149,707
Mapping and geophysics	-	568
Camp and supplies	<b>8,885</b>	-
Consulting	<b>1,018</b>	-
Geology	<b>1,638</b>	-
Other	<b>244</b>	-
	<b>11,784</b>	1,150,275
Total costs for the year	<b>104,997</b>	1,392,461
Disposition of Santa Gertrudis and Roca Roja	<b>(3,964,973)</b>	-
Balance - Beginning of the year	<b>5,026,001</b>	3,633,540
<b>Balance - End of Year</b>	<b>\$ 1,116,025</b>	\$ 5,026,001

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**Notes to the Interim Consolidated Financial Statements**

For the Nine-Month Period Ended September 30, 2007 and 2006

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**5. Resource Property Costs - *Continued***

The Company is currently exploring the following properties:

**a. Santa Gertrudis & Roca Roja**

On July 12, 2007, the Company completed a disposition agreement (the "Agreement") to sell 100% of its shares, rights, title and interest of First Silver Reserves, S.A. de C.V. and Recursos Escondidos, S.A. de C.V. ("the Subsidiaries") to Animas Resources Inc. (the "Purchaser") (TSX.V: ANI, formerly Deal Capital Ltd., a TSX Venture Exchange listed Capital Pool Company). The Subsidiaries are registered and beneficial holders of the past producing Santa Gertrudis and Roca Roja properties located in Sonora, Mexico.

As consideration, the Purchaser has paid US\$650,000 and issued 1,500,000 escrowed common shares of the Purchaser to the Company at Closing with final TSX Venture Exchange acceptance. The Purchaser also paid the Company an aggregate of \$25,000 as a non-refundable deposit for execution of the Letter of Intent and US\$20,000 for subsequent extension fees. Three additional payments of US\$500,000 will be paid to the Company in cash and/or common shares of the Purchaser at the option of the Purchaser on the first, second and third anniversaries of the Closing date.

This transaction does not immediately include the Company's 100% owned San Enrique copper, molybdenum, gold, and silver property that is currently under an option agreement ("San Enrique Option Agreement") with Minera Teck Cominco Ltd. ("Teck Cominco"). Under the terms of the San Enrique Option Agreement, Teck Cominco may spend US\$3.5 million over 5 years to earn a 60% interest and upon earning that interest, may then elect to earn an additional 10% by spending an additional US\$3.5 million on the San Enrique property.

The Company has entered into a right of first refusal agreement with the Purchaser, offering a 120 day option to purchase the Company's 100% interest in the San Enrique property should Teck Cominco's earn-in option be terminated. Terms of the option would include, US\$450,000 payable in cash or common shares of the Purchaser at the option of the Purchaser, and US\$20 for each ounce in excess of 45,000 ounces on the Properties subject to the Option, contained in mineralized material above a 1.5 gram per tonne Au cut off in 43-101 compliant measured and indicated resource categories. If Teck Cominco earns any interest in the Properties, then on the day Teck Cominco earns such interest the Purchaser's Option on the properties will terminate and have no further force or effect. Should the Purchaser choose to exercise the option with respect to any portions of the Properties that are returned to the Company by Teck Cominco the Purchaser shall pay the Company that percentage of the exercise price which is equal to the percentage of the total surface area of the portions so returned in relation to the total San Enrique Option Lands area. Conversely, should the Purchaser choose to not exercise the option over particular returned portions, the total exercise price will be adjusted in the same fashion as described above.

**MetalQuest Minerals Inc.**  
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**Notes to the Interim Consolidated Financial Statements**  
For the Nine-Month Period Ended September 30, 2007 and 2006

**5. Resource Property Costs - Continued**

**b. San Enrique**

By agreements dated July 8, 2005 and amended on January 31, 2006, the Company completed a Joint Venture agreement (the "Joint Venture Agreement") with Teck Cominco Limited's wholly owned Mexican subsidiary, Minera Teck Cominco SA de C.V. ("TCM") on the Company's 100% owned San Enrique copper-moly project and its 100% Greta claims located in Sonora State, Mexico. The San Enrique is made up of four claims and the Greta property is made up of 2 claims, located approximately 6.5 kilometers south of Santa Gertrudis gold production area.

The Joint Venture Agreement grants TCM an option to earn a 60% interest in the San Enrique and Greta properties by solely funding an aggregate of US\$3,500,000 in expenditures by July 1, 2010, of which US \$300,000 must be incurred within the first 12 months. TCM will be responsible for all property upkeep costs, including taxes and surface access costs. The Joint Venture Agreement also provides TCM the option, upon earning a 60% interest, to earn an additional 10% interest by solely funding a further US\$3,500,000 by July 1, 2011, thereby earning an aggregate 70% interest in the properties with the Company retaining a 30% interest. At the date TCM exercises its earn in rights, a Joint Venture will be formed with TCM being the initial Operator on behalf of the Joint Venture and undertaking programs and expenditures as approved by a Joint Venture Management Committee.

In addition to the funding requirements, TCM must pay cash of US\$80,000 (received) and pay US\$100,000 in two instalments due August 31, 2006 (received) and August 31, 2007 (received). In addition, TCM must pay an additional US\$450,000 if there is a positive production decision on the Greta claims.

**c. RHG Property**

On December 15, 2005, Red Tusk entered into an option agreement to acquire a 100% undivided legal and beneficial interest in 16 mineral claims located in the Liard Mining Division, British Columbia, Canada ("the RHG Property") in consideration for \$100,000 in cash (paid), the issuance of 1,000,000 common shares (issued) and reimbursement of exploration costs of \$405,775. The interest in the property is subject to a 2.5% net smelter return royalty. Red Tusk may purchase 60% of the net smelter return royalty at any time for \$1,000,000.

An officer of the Optionor is related to a director.

Details of cumulative expenditures are as follows:

	Acquisition	Annual Mining Concession Fees	Exploration	Disposition	Total
Mineral Properties					
Santa Gertrudis (i)	66,231	320,218	1,896,191	(2,278,674)	\$ 3,966
Roca Roja (i)	5,000	338,021	1,343,278	(1,686,299)	-
RHG Property	1,149,707	-	12,352	-	1,162,059
	1,220,938	658,239	3,251,821	(3,964,973)	\$ 1,166,025

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**Notes to the Interim Consolidated Financial Statements**  
For the Nine-Month Period Ended September 30, 2007 and 2006

**6. Due to Related Parties**

As at September 30, 2007, the Company owed directors and or companies controlled by directors nil (September 30, 2006 - \$5,623).

**7. Share Capital**

a) Details are as follows:

	<b>Number</b>	<b>Amount</b>
Authorized:		
100,000,000 common shares without par value		
Issued and fully paid:		
Balance – December 31, 2005	42,807,493	\$ 10,271,404
Issued for cash - Private placements	26,459,544	1,455,274
Issued for business acquisition	4,550,001	523,250
Share issuance costs	-	(97,775)
Share subscriptions receivable	-	(497,375)
Balance – December 31, 2006	73,817,038	\$ 11,654,778
Share subscription receivable	-	497,375
Issued for cash- Options exercised	200,000	20,000
<b>Balance- September 30, 2007</b>	<b>74,017,038</b>	<b>12,172,153</b>

b) **Private Placements**

During the period ended September 30, 2007, the Company issued common shares pursuant to the following private placements:

- i) The Company received the remaining \$497,375 in subscriptions pursuant to the December 28, 2006 private placement.
- ii) The Company issued 200,000 common shares for stock option compensation that were exercised at \$0.10 for gross proceeds of \$20,000.

During the year ended December 31, 2006, the Company issued common shares pursuant to the following private placements:

- i) The Company issued 4,550,001 common shares in connection with the business combination described in Note 3.
- ii) At December 28, 2006, the Company issued 26,459,544 units of the Company at a price of \$0.055 per unit for gross proceeds of \$1,455,275. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share for \$0.10 per share for up to two years from the closing date. The Company received \$957,900 from the proceeds of the private placement. The remaining \$497,375 was received subsequent to year end. The Company paid \$63,525 for finders' fees in connection with this private placement.

**MetalQuest Minerals Inc.**  
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**Notes to the Interim Consolidated Financial Statements**  
For the Nine-Month Period Ended September 30, 2007 and 2006

**7. Share Capital - Continued**

c) **Warrants**

Warrant transactions are summarized as follows:

	<b>Number of Warrants</b>
Balance- December 31, 2006	33,059,544
Issued	-
Expired	(6,600,000)
<b>Balance- June 30, 2007</b>	<b>26,459,544</b>

As at September 30, 2007 the following warrants were outstanding:

<b>Number</b>	<b>Price per Share</b>	<b>Expiry Date</b>
26,459,544	\$ 0.10	December 27, 2008
<b>26,459,544</b>		

**8. Contributed Surplus**

The Company's contributed surplus is comprised of the following:

	<b>2007</b>		<b>2006</b>	
Balance- Beginning of year	\$	1,229,162	\$	1,096,374
Stock-based compensation <i>(Note 9)</i>		105,053		132,788
<b>Balance- September 30, 2007</b>	<b>\$</b>	<b>1,334,215</b>	<b>\$</b>	<b>1,229,162</b>

**9. Stock Option Plan and Stock-Based Compensation**

The Company adopted a stock option plan pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 20% of the issued and outstanding common shares at the time of the grant.

Options granted under the plan shall vest as follows:

- 25% on the date of grant;
- 25% six months after the date of grant;
- 25% twelve months after the date of grant;
- 25% eighteen months after the date of grant.

**MetalQuest Minerals Inc.**  
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**Notes to the Interim Consolidated Financial Statements**

For the Nine-Month Period Ended September 30, 2007 and 2006

**9. Stock Option Plan and Stock-Based Compensation - Continued**

An aggregate of 8,561,498 common shares have been reserved for issuance under the plan.

a) A summary of the Company's outstanding options is as follows:

	2007		2006	
	Options Outstanding	Weighted Average Exercise Price	Options Outstanding	Weighted Average Exercise Price
Opening balance	7,950,000	\$ 0.102	7,130,000	\$ 0.122
Granted	2,100,000	\$0.10	2,600,000	\$ 0.090
Expired/Cancelled	(1,300,000)	\$ 0.117	(1,780,000)	\$ 0.164
Exercised	(200,000)	\$ 0.10	-	-
<b>Ending balance</b>	<b>8,550,000</b>	<b>\$ 0.102</b>	<b>7,950,000</b>	<b>\$ 0.102</b>

b) As at September 30, 2007, the Company had the following share purchase options outstanding and exercisable:

Quantity		Exercise Price	Expiry Date
Outstanding	Exercisable		
450,000	450,000	\$0.10	December 13, 2007
400,000	400,000	\$0.15	December 13, 2007
3,000,000	3,000,000	\$0.10	October 28, 2008
2,600,000	1,300,000	\$0.09	October 28, 2008
2,100,000	525,000	\$0.10	May 16, 2009
<b>8,550,000</b>	<b>5,675,000</b>		

The weighted average contract life remaining on the above options is 1.38 years.

The Company uses the Black-Scholes option pricing model to calculate the fair value of stock options granted. The Black-Scholes model was developed for use in estimating the fair value of traded options that have no vesting restrictions. The model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values. For purposes of the calculation, the following weighted average assumptions were used:

	2007	2006
Risk free interest rate	4.10%	4.10%
Expected dividend yield	0%	0%
Expected stock price volatility	513%	70%
Expected life of options	2 years	2 years
Fair value of options granted in year	0.03	0.03

Total stock-based compensation for the period ended September 30, 2007 was \$105,053 (September 30, 2006 - \$81,180) and was expensed to operations under directors', management, consulting and accounting fees and included in contributed surplus for options granted to directors, officers, and consultants of the Company.

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**Notes to the Interim Consolidated Financial Statements**  
For the Nine-Month Period Ended September 30, 2007 and 2006

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## 10. Related Party Transactions

Related party transactions not disclosed elsewhere in these consolidated financial statements, are as follows:

- a) During the period ended September 30, 2007, management fees of \$45,000 (September 30, 2006 - \$37,500) were paid to directors and officers or a Company controlled by directors and officers.
- b) During the period ended September 30, 2007, the Company paid directors \$19,857 (September 30, 2006 - \$15,144) for travel and expense reimbursements relating to investor communication, property investigation, and project management.
- c) During the period ended September 30, 2007, the Company expensed \$105,053 (September 30, 2006 - \$81,180) of stock-based compensation cost to directors' fees (\$51,441) (September 30, 2006- \$51,694), management fees (\$12,031) ( September30, 2006- \$13,764), accounting (\$12,505) (September 30, 2006- \$5,801) and consulting (\$29,076) ( September 30, 2006- \$9,921) fees for options granted to directors, officers, and companies with directors in common.
- d) The Company is related to the Optionor of the RHG Property as described in Note 5.

The above transactions, occurring in the normal course of operations, are measured at the exchange amount, which is the consideration established and agreed to by the related parties and are on terms and conditions similar to non-related parties.

Amounts referred to in Note 6 are expected to be paid within the next year and therefore, they have been classified as current liabilities in the consolidated financial statements.

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## 11. Segmented Information

Details are as follows:

	Canada	Mexico	Consolidated
<b>September 30, 2007</b>			
Segmented operating income (loss)	\$ 665,860	\$ -	\$ 665,860
Resource property costs	\$ 1,162,059	3,966	1,166,025
<b>December 31, 2006</b>			
Segmented operating income (loss)	\$ (476,474)	\$ 26,345	\$ (450,129)
Resource property costs	\$ 1,150,275	3,875,726	5,026,001

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## 12. Contingency

The Company has determined that there may be a potential liability with respect to payroll taxes for certain contractors that may be deemed employees of the Mexican subsidiaries. It is the Company's position that all persons involved are contractors for payroll purposes. The extent and likelihood of the potential liability is not determinable at this time, consequently, no liability has been recorded in the accounts of the subsidiary.

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**MetalQuest Minerals Inc.**  
**(Formerly Sonora Gold Corp.)**

**Notes to the Interim Consolidated Financial Statements**

For the Nine-Month Period Ended September 30, 2007 and 2006

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**13. Subsequent Events**

On October 15, 2007 the Company adopted all resolutions from the Company's Annual General Meeting held of July 27<sup>th</sup>, 2007 with TSX Venture Exchange approval, including a name change and 3 to 1 share consolidation.

The Company currently has 74,017,038 shares issued and outstanding and 109,459,544 shares fully diluted. Post Consolidation, the Company will have 24,672,346 shares issued and outstanding and 36,342,194 shares fully diluted. The Company will also commence trading under a new name, "MetalQuest Minerals Inc," with the TSX Venture Exchange symbol "MQ," and launch a new website at [www.metalquest.ca](http://www.metalquest.ca), all effective October 17, 2007.

Director W.K. Crichy Clarke has resigned from the Board of Directors to concentrate efforts on his other activities. The Company thanks him for his past contributions and wishes him continued success in his other endeavours.

On November 26, 2007, the Company announced Minera Teck Cominco S.A. de C.V. has dropped its option to earn into the San Enrique property located in Sonora , Mexico . Animas Resources Inc. ("Animas") has provided a letter of intent to exercise its option and purchase the property subject to completing the appropriate due diligence.

Minimal exploratory work was undertaken at San Enrique this year. As such, the Company is pleased to monetize the asset and introduce Animas' experienced exploration team to the project. Under the terms of the agreement, Animas will issue US \$450,000 in cash and or stock on closing for a 100% interest in the property.

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**14. Comparative Figures**

Certain figures from the previous year have been reclassified to conform to the current year's presentation. Such reclassification is for presentation purposes only and has no effect on previously reported results.

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