Crowflight Minerals Inc.

Canada's Next Nickel Producer

FINANCIAL STATEMENTS

for the three months ended March 31, 2007

Q1

BALANCE SHEETS
As at
(in Canadian dollars - prepared by management)

	March 31, 2007	December 31, 2006
ASSETS		
Current		
Cash and cash equivalents	**$ 11,629,209**	$ 13,800,920
Amounts receivable (Note 3)	**568,856**	298,580
Prepaid expenses and deposits	**201,731**	143,092
Future income tax asset	**-**	842,000
	12,399,796	15,084,592
Deposits and advances	**92,450**	206,571
Prepaid exploration expenditures (Note 3)	**-**	327,311
Exploration property, plant and equipment and deferred exploration expenditures (Note 3)	**40,472,434**	35,371,564
Equipment	**66,387**	64,879
	$ 53,031,067	$ 51,054,917
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**$ 3,413,523**	$ 2,201,979
Future income tax liability (Note 6)	**$ 4,940,788**	**$ -**
SHAREHOLDERS' EQUITY		
Common Shares (Note 4(a))	**54,775,247**	58,437,271
Warrants (Note 4(b))	**1,343,511**	1,773,748
Contributed surplus (Note 4(d))	**6,973,587**	6,328,590
Deficit	**(18,415,589)**	(17,686,671)
	44,676,756	48,852,938
	$ 53,031,067	$ 51,054,917

Commitments and Contingencies (Note 6)

STATEMENTS OF OPERATIONS AND DEFICIT

For the three months ended March 31,

(in Canadian dollars - prepared by management)

	2007	2006
Expenses		
Professional, consulting and management fees (Note 4(c))	**707,473**	367,537
Shareholder communications	**88,158**	75,395
General and office	**24,200**	25,082
Travel	**16,407**	7,246
Amortization	**1,295**	6,628
Interest expenses and bank charges	**1,135**	392
	838,668	482,280
Loss before the undernoted	**(838,668)**	(482,280)
Interest and dividend income	**109,750**	305
Recovery of expenses	**-**	6,068
Loss for the period	**(728,918)**	(475,907)
DEFICIT, beginning of period	**(17,686,671)**	(15,954,351)
DEFICIT, end of period	**$(18,415,589)**	$(16,430,258)
Loss per share - basic and diluted	**$ (0.00)**	$ 0.00
Weighted average number of shares basic	**199,482,172**	109,359,130

STATEMENTS OF CASH FLOWS

For the three months ended March 31,
(in Canadian dollars - prepared by management)

	2007	2006
Cash (used in) provided by:		
OPERATING ACTIVITIES:		
Net loss for the period	$ (728,918)	$ (475,907)
Charges not affecting cash:		
Amortization	1,295	6,628
Stock-based compensation expense (Note 4(c))	667,338	221,044
Net change in non-cash working capital	(568,693)	472,043
	(628,978)	223,808
FINANCING ACTIVITIES:		
Common shares issued through private placements	-	4,275,050
Warrants issued through private placements	-	349,450
Shares issued from exercise of warrants and options	1,668,188	-
Financing costs	-	(338,359)
	1,668,188	4,286,141
INVESTING ACTIVITIES:		
Exploration properties and deferred exploration expenditures	(5,095,295)	(2,242,935)
(Increase) decrease in deposits and prepaid exploration expenditure	441,432	(970,139)
(Decrease) increase in accounts payable attributable to property exploration	1,451,320	(763,751)
Property, plant and equipment	(8,378)	(3,906)
	(3,210,921)	(3,980,731)
CHANGE IN CASH	(2,171,711)	529,218
CASH, beginning of period	13,800,920	633,669
CASH, end of period	$ 11,629,209	$ 1,162,887
Cash and cash equivalents consists of:		
Cash	1,266,254	1,162,887
Equivalents	10,362,955	-
	$ 11,629,209	$ 1,162,887
SUPPLEMENTAL INFORMATION:		
Common shares issued as cost of issue	$ -	$ 87,400
Warrants granted as cost of issue	$ -	$ 33,580
Amortization of assets deferred to exploration properties	$ 5,575	$ -
Interest received	$ 105,302	$ 305
Interest paid	$ 479	$ -
Income taxes paid	$ -	$ -

-- See Notes to the Financial Statements --

1. NATURE OF OPERATIONS AND GOING CONCERN

These interim financial statements are unaudited and are not reviewed by the Company's auditors.

The management of Crowflight Minerals Inc. (the "Company") has prepared these unaudited financial statements for the three months ended March 31, 2007 in accordance with generally accepted accounting principles in Canada. The most significant of these accounting principles have been set out in the December 31, 2006 audited financial statements. The Company uses the same methods and accounting policies described in the December 31, 2006 audited financial statements. These financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2006.

The disclosures in these interim financial statements do not include the full disclosure required under generally accepted accounting principles in Canada for annual financial reporting.

These statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been fairly presented.

Operating results for the three months ended March 31, 2007 are not indicative of the results that may be expected for the full year ending December 31, 2007.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, and non compliance with regulatory requirements.

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

The Company has a need for equity capital and financing for working capital, and exploration and development of its properties. Because of continuing operating losses, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations.

2 SIGNIFICANT ACCOUNTING POLICIES

Except as disclosed below, these financial statements are prepared using the same accounting policies and methods of application as those disclosed in note 2 to the Company's consolidated financial statements for the period from inception to December 31, 2006.

New accounting pronouncements
On January 1, 2007, the Company adopted the Canadian Institute of Chartered Accountant ("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*. These new standards resulted in no changes to amounts previously reported.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial Instruments

Under the new standards, financial assets and liabilities, including derivative instruments, are initially recognized and subsequently measured based on their classification as "held- for- trading", "available-for-sale" financial assets, "held-to-maturity", "loans and receivables", or "other" financial liabilities. Held-for-trading financial instruments are measured at their fair value with changes in fair value recognized in net income for the period. Available-for-sale financial assets are measured at their fair value and changes in fair value are included in other comprehensive income until the asset is removed from the balance sheet. Held-to-maturity investments, loans and receivables and other financial liabilities are measured at amortized cost using the effective interest rate method. Derivative instruments, including embedded derivatives, are measured at their fair value with changes in fair value recognized in net income for the period, unless the instrument is a cash flow hedge and hedge accounting applies, in which case changes in fair value are recognized in other comprehensive income.

(ii) Comprehensive Income

Section 1530 establishes standards for reporting and presenting comprehensive income. Comprehensive income, composed of net income and other comprehensive income, is defined as the change in shareholders' equity from transactions and other events from non-owner sources. Other comprehensive income for the Company includes unrealized gains and losses on available-for-sale securities and changes in the fair market value of derivatives designated as cash flow hedges, all net of related income taxes. The components of comprehensive income are disclosed in the statement of operations and comprehensive income. Cumulative changes in other comprehensive income are included in accumulated other comprehensive income ("AOCI") which is presented as a new category in shareholders' equity.

(iii) Hedging

Section 3865 specifies the circumstances under which hedge accounting is permissible and how hedge accounting may be performed. As at and during the three month period ended March 31, 2007, the Company had no hedges.

The application of these new standards has had no impact on the Company's financial statements as at and for the three month period ended March 31, 2007, and as such, a statement of comprehensive income has not been included in these financial statements.

3. EXPLORATION PROPERTY PLANT AND EQUIPMENT AND DEFERRED EXPLORATION EXPENDITURES

	MANITOBA		SUDBURY, ONTARIO			
	Bucko Deposit	Thompson Nickel Belt Joint Venture	AER Kidd	Peter's Roost	New Exploration	TOTAL
Acquisition costs						
Balance, December 31, 2006	1,769,118	478,927	1,094,924	127,757	-	3,470,726
Acquisition and property costs	457	3,000	51,173	-	-	54,630
Write off of property costs	-	-	-	-	-	-
Balance, March 31, 2007	**1,769,575**	**481,927**	**1,146,097**	**127,757**	**-**	**3,525,356**
Exploration and development expenditure						
Balance, December 31, 2006	16,812,781	9,475,605	4,939,586	669,604	3,262	31,900,838
Drilling	-	1,117,550	-	-	-	1,117,550
Assaying, laboratory, metallurgy	11,723	44,669	-	-	-	56,392
Advanced technical studies	45,998	-	-	-	-	45,998
Staff and consultants	239,076	165,987	-	-	-	405,063
Roads and trenches	-	123,039	-	-	-	123,039
Travel and transportation	71,340	36,420	-	-	-	107,760
Reports	21,923	-	-	-	-	21,923
Mine and mill design	34,256	-	-	-	-	34,256
Site development	391,142	-	-	-	-	391,142
Off-take contract	1,772	-	-	-	-	1,772
Mine closure bond	140,533	-	-	-	-	140,533
Engineering and procurement	518,712	-	-	-	-	518,712
Environmental	16,151	-	1,094	-	-	17,245
Human Resources	33,818	-	-	-	-	33,818
Field and office support	51,526	24,734	1,122	-	-	77,382
Amortization charge for use of assets	3,900	1,675	-	-	-	5,575
Incurred to date	**18,394,651**	**10,989,679**	**4,941,802**	**669,604**	**3,262**	**34,998,998**
Capital purchases	2,047,986	-	-	-	-	2,047,986
Less: Government assistance	-	(99,906)	-	-	-	(99,906)
Balance, March 31, 2007	**20,442,637**	**10,889,773**	**4,941,802**	**669,604**	**3,262**	**36,947,078**
TOTAL DEFERRED COSTS March 31, 2007	**22,212,212**	**11,371,700**	**6,087,899**	**797,361**	**3,262**	**40,472,434**

MANITOBA
Bucko Deposit and Thompson Nickel Belt

On January 30, 2007, the Company amended their existing option agreements with Xstrata Nickel ("Xstrata") by entering into the Bucko Lake Lease Transfer Agreement which includes the Exploration Option Agreement and the Off-take agreement. The Bucko Lake Lease Transfer Agreement provides for the transfer of the Bucko Lake Lease to the Company free and clear of all liens on the Closing Date, which will be the 10th business day following the date on which the Company delivers the Bankable Feasibility Study ("BFS") and BFS Acceptance Letter to Xstrata. As well, on the Closing Date, the Company will issue 2,000,000 shares to Xstrata, and deliver a royalty agreement where the Company grants to Xstrata a 2.5% Net Smelter Royalty with respect to the Bucko Lake Lease. In order to retain its 100% undivided interest in the Bucko Lake Lease following the Closing Date, the Company is required to make a decision within six months of the completion of the bankable feasibility study to put the Bucko Deposit into commercial production.

3. EXPLORATION PROPERTY PLANT AND EQUIPMENT AND DEFERRED EXPLORATION EXPENDITURES (continued)

The Exploration Option Agreement amalgamates both the Thompson Nickel Belt South and North agreements whereby the Company can earn a 100% interest in these properties by incurring $13,200,000 in expenditures from January 1, 2007 up to and including December 31, 2013 (the "Option Period") according to the following schedule:

" $2,500,000 by December 31, 2007;
" $2,500,000 by December 31, 2008;
" $2,200,000 by December 31, 2009;
" $1,500,000 by December 31, 2010;
" $1,500,000 by December 31, 2011;
" $1,500,000 by December 31, 2012;
" and $1,500,000 by December 31, 2013.

In addition, the Company will become the operator of the project during the Option Period.

The amended agreement also provides Xstrata a back in right, property buy-back right, Joint Venture bump-up option, Net Smelter Returns royalty, an off-take right, and an off take option on both the Peter's Roost Property and Airport Property.

Certain areas of the property are subject to underlying agreements whereby those portions are subject to i) a 2% NSR; ii) a 10% net proceeds of production royalty; or iii) a $500,000 payment due on commencement of commercial production.

A balance of $327,311 remained in trust with Xstrata at December 31, 2006, however, as the Company became operator of the project effective January 1, 2007 according to the revised terms of the agreement, this prepaid balance will be refunded to the Company and has been recorded in Amounts Receivable at March 31, 2007.

Also, throughout the current quarter, the Company purchased and paid deposits on various capital assets and leases for the development of the Bucko Deposit amounting to $2,047,986.

4. CAPITAL STOCK

Authorized
Unlimited common shares without par values
Unlimited class A preference shares with a par value of $10 each, issuable in series, cumulative dividends
Unlimited class B preference shares with a par value of $50 each, issuable in series, cumulative dividends

4. CAPITAL STOCK (continued)

a) Common shares issued

	Shares	Value
Balance, December 31, 2005	98,621,254	$ 30,375,246
Private placement - non flow-through	6,000,000	1,140,000
Private placement - flow-through	10,377,776	2,335,000
Private placement - non flow-through	6,050,000	1,149,500
Private placement - flow-through	17,361,000	5,208,300
Private placement - non flow-through	20,854,859	7,299,200
Private placement - flow-through	21,300,000	8,520,000
Issue of warrants - warrant valuation	-	(1,194,072)
Commission shares issued	460,000	87,400
Shares issued in acquisition of property (Note 2)	1,000,000	270,000
Shares issued in acquisition of asset (Note 2)	1,666,667	500,000
Exercise of warrants	14,426,500	5,230,600
Exercise of warrants - warrant valuation	-	1,196,737
Exercise of options	400,000	88,000
Exercise of options - option valuation	-	128,974
Flow-through shares tax effect	-	(1,341,000)
Cost of issue	-	(2,556,614)
Balance, December 31, 2006	198,518,056	$ 58,437,271
Exercise of warrants	4,687,473	1,529,125
Exercise of warrants - warrant valuation	-	323,736
Exercise of options	512,500	139,062
Exercise of options - warrant valuation	-	128,841
Flow-through shares tax effect	-	(5,782,788)
Balance, March 31, 2007	**203,718,029**	**$ 54,775,247**

During the quarter ended March 31, 2007, 4,687,473 warrants were exercised at a weighted average price of $0.33 generating gross proceeds of $1,529,125. As well, 512,500 options were exercised at a weighted average price of $0.27 for gross proceeds of $139,062.

b) Warrants

	Three months ended March 31, 2007		Twelve months ended December 31, 2006	
	Number of warrants	Average price	Number of warrants	Average price
Balance, beginning of period	22,308,769	$ 0.42	29,434,356	$ 0.45
Granted, private placements	-	-	16,452,429	0.43
Granted, broker warrants	-	-	3,756,340	0.35
Granted property acquisition	-	-	-	-
Exercised	(4,687,473)	0.33	(14,426,500)	0.36
Expired or cancelled	(1,000,000)	0.55	(12,907,856)	0.54
Balance, end of period	16,621,296	0.42	22,308,769	0.42

4. CAPITAL STOCK (continued)

A summary of the outstanding warrants as of March 31, 2007 are as follows:

Value ($)	Number of Warrants	Exercise Price ($)	Expiry Date
174,000	3,000,000	0.300	July 20, 2007
7,250	125,000	0.300	August 28, 2007
87,519	911,660	0.300	December 21, 2007
279,161	3,446,428	0.500	April 11, 2008
564,449	6,968,501	0.500	April 30, 2008
71,350	584,837	0.350	April 30, 2008
133,169	1,256,310	0.400	April 30, 2008
26,613	328,560	0.500	April 30, 2008
$ 1,343,511	16,621,296		

c) <u>Stock Options</u>

The following are the stock option transactions during the period:

	Three months ended March 31, 2007		Twelve months ended December 31, 2006	
	Number of stock options	Weighted average exercise price ($)	Number of stock options	Weighted average exercise price ($)
Balance, beginning of period	9,070,000	0.300	7,405,000	0.300
Granted	8,450,000	0.640	4,070,000	0.245
Exercised	(512,500)	0.271	(400,000)	0.220
Cancelled/Expired	(87,500)	0.405	(2,005,000)	0.361
Balance, end of period	16,920,000	0.452	9,070,000	0.265

4. CAPITAL STOCK (continued)

As of March 31, 2007, the following stock options were outstanding:

VALUE $	NUMBER OF OPTIONS	NUMBER OF OPTIONS EXERCISABLE	EXERCISE PRICE $	EXPIRY DATE
9,411	150,000	150,000	0.250	June 7, 2007
811,200	2,000,000	2,000,000	0.200	June 5, 2008
10,140	25,000	25,000	0.350	June 5, 2008
40,560	100,000	100,000	0.560	November 21, 2008
20,280	50,000	50,000	0.700	November 17, 2008
50,700	125,000	125,000	0.620	December 11, 2008
250,000	1,000,000	0	0.600	March 20, 2009
222,000	1,000,000	0	0.070	March 20, 2009
198,000	1,000,000	0	0.800	March 20, 2009
178,000	1,000,000	0	0.900	March 20, 2009
161,000	1,000,000	0	1.00	March 20, 2009
14,925	75,000	75,000	0.620	June 17, 2009
175,000	875,000	875,000	0.245	October 12, 2009
14,850	50,000	50,000	0.390	October 20, 2009
26,700	100,000	100,000	0.350	November 8, 2009
19,600	100,000	100,000	0.300	January 10, 2010
39,800	200,000	200,000	0.280	February 14, 2010
39,600	200,000	200,000	0.290	February 21, 2010
235,000	1,000,000	1,000,000	0.330	March 1, 2010
7,100	50,000	50,000	0.200	July 14, 2010
471,883	2,657,500	1,700,000	0.225	March 13, 2011
69,255	350,000	131,250	0.280	July 5, 2011
11,487	50,000	50,000	0.300	August 9, 2011
23,343	100,000	37,500	0.365	August 15, 2011
31,303	150,000	56,250	0.350	September 28, 2011
44,138	150,000	150,000	0.360	November 29, 2011
582,550	3,212,500	412,500	0.405	January 10, 2012
27,765	150,000	18,750	0.500	February 20, 2012
	16,920,000	7,656,250		

During the quarter ended March 31, 2007, 8,450,000 stock options (2006 - 3,270,000) were granted to directors, officers and consultants of the Company. Of these options granted, 5,000,000 vest one quarter every quarter over a one year term and 3,450,000 options vest one eighth every quarter from the date of grant over a two year term. The fair value of each option granted was estimated on the date of grant using the Black Scholes option pricing model with the following assumptions: expected dividend yield 0% (2006 - 0%); expected volatility of 72.73% to 117.16% (2006 - 77.62% to 135.84%); risk free interest rate of 4.0% (2006 - 3.8% to 4.1%); and an expected average life of 2 to 5 years (2006 - 2 to 5 years). For the quarter ended March 31, 2007, an amount of $667,338 (2005 - $221,044) was recorded for all vested options and is included in Professional, consulting and management fees.

4. CAPITAL STOCK (continued)

d) Contributed Surplus

	Three months ended March 31, 2007	Twelve months ended December 31, 2006
Balance, beginning of period	$ 6,328,590	$ 3,842,714
Stock options granted and/or vested during the period:		
Directors and officers	$ 525,344	$ 653,544
Consultants	$ 141,994	$ 161,968
Property acquisition	$ -	$ 9,450
Exercise of stock options, reallocation of valuation	$ (128,841)	$ (128,974)
Expiry of warrants, reallocation of valuation	$ 106,500	$ 1,789,888
Balance, end of period	$ 6,973,587	$ 6,328,590

5. RELATED PARTY TRANSACTIONS

Related party transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The Company shares its premises with other companies that have common directors. The Company reimburses the related companies for their proportionate share of the expenses. At March 31, 2007 an amount of $60,247 (2006 - $30,797) is payable in relation to these expenses. As well, the Company is owed $nil (2006 - $34,461) at March 31, 2007 for shared expenses.

During the quarter ended March 31, 2007, the Company granted 2,650,000 stock options to directors and officers of the Company.

6. COMMITMENTS

Pursuant to the issuance of 49,038,776 flow through shares during 2006, the Company renounced $16,063,300 on qualified exploration expenditures with an effective date of December 31, 2006 in February 2007. As of March 31, 2007, the Company has expended $10,104,601 related to these flow through funds and will be committed to expend the balance of $5,958,699 between April 1 and December 31, 2007.

The Company is party to certain management contracts which require that additional payments of up to $3.3 million be made upon the occurrence of certain events such as a change of control or termination without cause. As the likelihood of these events taking place is not determinable, the contingent payments have not been reflected in these financial statements.

7. FINANCIAL INSTRUMENTS

Fair Value
Canadian generally accepted accounting principles require that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying value of cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities and accrued pension liability reflected in the balance sheet approximate fair value because of the limited term of these instruments.

Commodity Price Risk

The ability of the Company to develop its properties and the future profitability of the Company are directly related to the market price of certain minerals.

8. SUBSEQUENT EVENTS

On April 12, 2007, the Company announced completed a bought deal private placement of 15,625,000 units of the Company at a price of $0.80 per unit and 12,500,000 flow-through common shares of the Company at a price of $1.00 per share for gross proceeds of $25,000,000. Each unit will consist of one common share and one half of one common share purchase warrant, each whole common share purchase warrant entitling the holder to purchase one common share of the company for $1.15 for a period of one year, subject to a shorter exercise period based on certain market price conditions. The offering was completed by a syndicate of underwriters who received a commission of 6% of the gross proceeds received as well as 1,546,875 compensation options, each of which entitle the underwriter to purchase one unit at a price of $0.80 per unit until April 12, 2008. The flow through shares, unit shares, warrants and compensation options are subject to a hold period that will expire on August 13, 2007.

On May 11, 2007, the Company announced that it is exercising its right to have the share purchase warrants that were issued in October 2006 expire early. As the majority of the common shares of the Company have traded on the TSX Venture Exchange at prices over $0.75 per share during the 15 consecutive trading days ended May 8, 2007, the Company has provided warrant holders with notice of the accelerated expiry time, in accordance with the terms of the warrant agreement. These warrants will expire on June 26, 2007 unless duly exercised.

In April 2007, 200,000 stock options were granted to an officer of the Company.

Subsequent to the end of the quarter, 1,302,704 warrants and 370,000 options were exercised for total proceeds of $718,314. A total of 157,500 options were cancelled as a result of termination.