



UNOR INC

QUARTERLY REPORT

June 30, 2008



CORPORATE PROFILE

Listing: TSX Venture - Symbol **UNI** US OTC – Symbol **UNOFF**

Share Capital:

- **Authorized:** Unlimited number of common shares
Unlimited number of preferred shares

- **As of August 20, 2008 issued:**
 - 139,782,405 common shares
 - 7,890,447 options @ wt avg 44 cents
 - 9,421,120 warrants @ wt avg 38 cents

Officers:

- George Bell, President & CEO
- David Bent, Vice President Exploration
- Ian Shaw, Vice President Finance & CFO
- Thomas Devlin, Secretary

Directors:

- Ronald Barnes, Chairman
- Bruno Arnold
- Birks Bovaird
- Andrew Rickaby

Auditors:

McGovern, Hurley, Cunningham, LLP
2005 Sheppard Avenue, Suite 300
Toronto, Ontario M2J 5B4

Legal Counsel:

Beach, Hepburn, LLP
36 Toronto Street, Suite 1000
Toronto, Ontario M5C 2C5

Head Office:

Suite 700 – 357 Bay Street
Toronto, Ontario, Canada M5H 2T7

Phone: +416-368-0114 Fax: +416-368-0198
Website: www.unorinc.com

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

This Management Discussion and Analysis (“MD&A”) has been prepared as of August 20, 2008 and should be read in conjunction with the interim financial statements of the Company for the three months ended June 30, 2008, and the related notes. The Company’s reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in Canadian dollars unless noted otherwise. The Company reports its financial position, results of operations and cash flows in accordance with Canadian generally accepted accounting principles.

1. Forward-Looking Statements

This MD&A contains certain forward-looking statements. These interim statements are based on certain estimates and assumptions and involve risks and uncertainties, including but not limited to: political risks, title risks, commodity price and currency exchange rate risks, operating and environmental hazards encountered in the mineral exploration and development business, general industry and economic conditions, changes in the regulatory requirements affecting the Company’s business, future capital expenditures and the availability and terms of financing. Consequently, actual results and events may vary significantly from those included, contemplated or implied by such statements.

2. Corporate Overview

In 1996, UNOR Inc. (“UNOR” or the “Company”) was incorporated in Ontario with its primary focus on uranium exploration in Nunavut, Canada. Nunavut is the only territory and/or province that has settled its native land claim issues.

In June 2006, Cameco Corporation (“Cameco”) acquired 19.5% of the Company and the companies agreed to a Strategic Alliance Agreement that provides to UNOR ongoing uranium technical knowledge, guidance and exploration opportunities.

In September 2006, Cameco and UNOR established a Joint Technical Committee (“JTC”) to facilitate consultations between the companies with respect of exploration programs.

Since September 2006, the Company has increased its Nunavut uranium exploration area from 0.5 million acres to 2.7 million acres as shown below:

- In September 2006, UNOR and Adriana Resources Inc. (“Adriana”) agreed to form UNAD, a 50/50 uranium joint-venture project between the companies. UNAD has staked 41 claims that cover 89,325 acres. These 41 claims include several historic uranium occurrences and are located on the eastern edge of the Hornby Bay Basin, Nunavut, adjoining UNOR’s and Adriana’s properties;
- In October 2006, UNOR entered into the Lac Rouviere option/joint venture agreement with Cameco on 206 uranium mineral claims covering 521,500 acres in western Nunavut which adjoin the northwest corner of UNOR’s wholly owed Coppermine River claim block and UNOR is the operator; and

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

- In February 2007, UNOR entered into the Baffin Island joint venture agreement with Cameco to explore for uranium on 27 Prospecting Permits covering 1,588,000 acres on Baffin Island in eastern Nunavut.

Since 2003, the Company has invested a total of \$29 million on the systematic exploration and advancement of these uranium mineral claims.

Also, the Company owns the following interests and properties:

- a 5% net smelter return royalty on 17 crown grants and 23 mineral claims covering 4,000 acres on the copper mining lands under development by Copper Mountain Mining Corporation at Similkameen, British Columbia;
- 100% of four copper crown grants in the Princeton area of British Columbia;
- 20 gold claims and leases in the Timmins area of Ontario under option to Laurion Mineral Exploration Limited ; and
- 6 gold claims in the Dryden area of Ontario.

The Company is a reporting issuer in Ontario, British Columbia and Alberta and trades on the TSX Venture Exchange under the symbol UNI.

3. Operating Strategy

The Company's overall mineral exploration strategy is based on:

- Aggressively and systematically pursuing the discovery of uranium deposits in Nunavut on its 100% owned mineral claims and leases, and on its Cameco and UNAD joint venture properties covering 2.7 million acres; and
- Evaluating its properties in Nunavut, Ontario and British Columbia for all forms of economic mineral development, including uranium, diamonds, precious metals and copper.

4. Highlights

On March 31, 2006, the Company entered into a Memorandum of Understanding with Cameco Corporation to form a strategic alliance and for Cameco to subscribe for a non-brokered private placement of shares representing a 19.5% ownership of the Company at a price of \$0.40 per share. On May 9, 2006, the Company announced that the parties had executed a binding subscription agreement in which Cameco subscribed for 19.5% of the outstanding shares of UNOR for aggregate gross proceeds of \$9,162,765. A special meeting of shareholders on June 16, 2006 approved the Cameco transaction and the closing of the transaction occurred on June 19, 2006. At the closing of this non-brokered private placement the companies entered into a Strategic Alliance Agreement. The Strategic Alliance Agreement includes the following terms and conditions:

- (a) for as long as Cameco maintains ownership of at least 16% of the issued and outstanding shares of UNOR, Cameco will have the right to participate in any future equity issuances by UNOR, to match any equity or debt funding required by UNOR for development of a mine, to operate any mine developed, to provide milling capacity and to market any uranium produced by UNOR;

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

- (b) for as long as Cameco maintains ownership of at least 10% of the issued and outstanding shares of UNOR, Cameco will have the right to nominate one person for election to the board of directors of UNOR and UNOR will consult with Cameco concerning exploration, development and mining technical work programs; and
- (c) each party will have first right of refusal to purchase from the other any uranium exploration projects the other may wish to sell in a specified area of western Nunavut or eastern North West Territories.

On September 22, 2006, the Company and Cameco Corporation established a JTC to facilitate consultations between the companies with respect to technical work programs. The JTC is comprised of four members with two senior exploration personnel from both companies. The JTC duties are to review and recommend exploration plans and budgets for UNOR.

On October 23, 2006, the Company announced that it has entered into an option agreement with Cameco Corporation on uranium mineral claims held by Cameco covering 521,500 acres in western Nunavut (the "Property") which adjoins the northwest corner of UNOR's wholly owned Coppermine River claim block. The Option Agreement is subject to the following terms and conditions:

- To earn a 60% interest in the Property, UNOR must incur exploration and development expenditures of \$3.0 million by March 31, 2010, of which a minimum of \$2.0 million must be incurred on or before June 30, 2008.
- UNOR is the operator subject to the guidance of a joint UNOR/Cameco Technical Committee and the Strategic Alliance Agreement between the parties.
- The parties will establish a joint venture on the date UNOR has exercised its earn-in rights of 60%.
- Cameco has the right within 90 days after the joint venture has either operated for two years or incurred \$3.0 million of expenditures on the Property to earn back 15% by investing an additional \$3.0 million to increase its interest to 55% and reduce UNOR's interest in the Property to 45%.

On February 5, 2007 the Company entered into a joint venture agreement with Cameco Corporation to explore for uranium on 27 Prospecting Permits currently held by Cameco covering 1,588,000 acres on Baffin Island, Nunavut, Canada. The joint venture agreement includes the following provisions:

- The formation of a management committee comprised of two representatives from each party.
- UNOR will be the operator of the joint venture.

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

- The operator will be subject to the general control and direction of the JTC established pursuant to the Strategic Alliance Agreement dated June 19, 2006 between the parties.

On October 4, 2007 the Company issued 4,285,714 flow-through units at a price of \$0.35 per unit for total gross proceeds of \$1,500,000. Each unit consists of one flow-through share and one-half of a common share purchase warrant. UNOR has paid a finder's fee of 7.0% of the gross proceeds received and has issued compensation options equal to 10.0% of the number of units sold, which compensation options will entitle the holders to purchase (non flow-through) common shares of Unor for a period of 24 months from the closing date at a price of \$0.35 per share. Cameco Corporation exercised its right of participation to maintain its 19.5% ownership of UNOR. Therefore, the company issued by private placement 1,038,154 non flow-through units at a price of \$0.30 per unit to Cameco for net proceeds of \$311,446. Each unit consists of one non flow-through share and one-half of a common share purchase warrant.

On December 28, 2007, the Company issued 8,600,000 units at \$0.25 per unit pursuant to a non-brokered private placement to raise gross proceeds of \$2,150,000. Each unit consists of one (1) flow-through common share and one half (1/2) common share purchase warrant. Each common share purchase warrant entitles the holders to purchase one common share at \$0.35 per share for two years.

Pursuant to the terms of the UNOR/Cameco Strategic Alliance Agreement and pursuant to the private placement completed by the Company on December 28, 2007, Cameco, on February 29, 2007 subscribed for 2,083,230 units at \$0.205 per unit for gross proceeds of \$427,062. Each unit consists of one (1) common share and one half (1/2) common share purchase warrant. Each whole common share purchase warrant will entitle the holders to purchase one common share at \$0.35 per share for two years.

5. Exploration Properties

In 2008, the Company's planned exploration budget is \$4.0 million to fund the field programs focused on the discovery of economic uranium deposits on its large land holdings south of Kugluktuk in western Nunavut. The high grade unconformity model of uranium deposition (McArthur River deposit) remains the primary target. However, increasing emphasis is being placed on structurally controlled, basement hosted style mineralization (Eagle Point deposit) and the disseminated, sandstone hosted model (Mountain Lake deposit) where the target is in the upper sequences of the basin sediments. The acquisition of additional lands since 2006 under the UNAD Joint Venture with Adriana Resources, the Lac Rouviere Option/Joint Venture with Cameco and the Baffin Island Joint Venture with Cameco has greatly expanded the Company's land holdings in Nunavut and the potential for a new uranium discovery.

The Baffin Island Joint Venture was initiated in early 2007 to explore 27 exploration permits covering large portions of the Borden and Fury-Hecla Proterozoic sandstone basins. The area is remote and historical exploration for uranium has been less intensive than in the other major basins in Canada. An additional two exploration permits were acquired at the eastern end of the Fury-Hecla block in January. Due to funding priorities there is no planned work on the Baffin Island properties in 2008.

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

The fuel haul for the Western Nunavut projects was completed during late April/ early May but there was no spring field campaign this year. The Mouse Lake camp was reopened on July 3rd and it is anticipated that the summer campaign will continue until mid-September.

The 2008 program will focus on completing the FUGRO airborne gamma ray/ magnetometer survey of the Lac Rouviere, UNAD JV and the northern rim of the Coppermine property and drill testing of uranium targets on the Coppermine property. There also will be a continuation of the ground geophysical surveys over the MEGATEM conductive trends on the Coppermine property and prospecting/ geological evaluation of the Lac Rouviere and UNAD JV properties.

The Company is continuing the policy of hiring local Inuit to complement the field crews and maximizing of purchases of local supplies and services from Kugluktuk. In early July, the Company provided logistical support for a program sponsored by the Kugluktuk Hunters and Trappers Association to study the biodiversity of the Coppermine River tributaries. UNOR also continues to provide logistical support to the ecological surveys being conducted by the Nunavut Wildlife Department. Their program to study the local Grizzly/ Wolverine population has proven to be very effective and the study area has been expanded significantly in 2008. It now covers all of the Company's properties and will be of great significance when the necessity for baseline environmental data becomes a requirement.

Statistics for 2008 field work completed to mid August include the following:

- 4 drill holes (uranium) completed for 626.5 metres
- 55 drill core samples submitted for assay
- 127 surface rock samples collected
- 99 soil samples submitted for assay
- 36 kilometres of ground geophysics on the Coppermine project
- 59 kilometres of ground geophysics on the Lac Rouviere project
- 19,451 kilometres out of 24,192 of airborne gamma ray/ magnetometer surveying

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

Major highlights of the 2008 program to date include:

- Intersection of uranium at the base of the Leroux sandstone (HB-08-60) on the Hot Creek structure
- Strong indication of a basement uplift along the Copper fault from the results of the Transient Audio Magnetotelluric survey on claim CM 56
- Discovery of a new uranium mineralized zone (Flare) in boulders on claim DL 170 (Lac Rouviere property)
- Upgrading of the GJC structure on claim DL 181 (Lac Rouviere property) by the discovery of radioactive zones within the sandstone hosted quartz stockwork

UNOR Coppermine River Project

Diamond Drilling

A total of 626.5 metres of drilling has been completed in 4 drill holes targeted on Mountain Lake style mineralization at the base of the Leroux sandstone. A fifth hole is presently in progress to test the Hot Creek zone to the southeast of HB-07-42. The drill program has been slow due to several serious mechanical problems but the hydraulic system has been completely overhauled and a new engine has been installed. The machine has been performing well for the past week and completed the last hole with no lost time.

Hole HB-08-57 was drilled at -60° beneath the Beep showing on claim CM 78. The top 65 metres of the hole was in strongly silicified Lady Nye sandstone. The conclusion was that the radioactive showing on the small Beep knob represents the root zone of eroded mineralization in the overlying Leroux formation. The second hole, HB-08-58, was drilled 1250 metres west of Beep to test a resistivity low. There was no radioactivity in the hole and it was concluded that the resistivity anomaly was due to a local thickening of the Fort Confidence shale unit.

Hole HB-08-59 was sited to test the fault related series of radiometric occurrences along the west flank of the Weather Lake ridge. The hole was collared with a dip of - 45°, drilling east, to test the main fault in an area where a cross-fault bisects the ridge. The hole was abandoned at 117 metres when the rods became frozen in permafrost.

Hole HB-07-60 was collared 160 metres northwest of hole HB-07-42 on the Hot Creek structure. An initial attempt to drill a vertical hole was aborted when the casing broke at a depth of 20 metres in overburden. The angle was changed to a dip of - 85°, drilling northwest, and the hole was completed at a depth of 111.6 metres. The hole started in a diabase dyke and then intersected the lower section of the Fort Confidence, the full section of Leroux and the top of the Lady Nye before intersecting a second major diabase dyke. Radioactivity was encountered over the interval 60.2 – 64.7 metres with the highest readings (800 cps on the PPS-2 scintillometer) across the interval 63.2 – 63.9 metres. It should be noted that there was a 0.8 metre interval (62.0 – 62.8 metres) of lost core within the mineralized zone. The uranium minerals are in veins (conformable to the bedding) and vugs near the Leroux/ Lady Nye contact. There are traces of preserved pyrite in the core but it has mostly been oxidized to hematite and there is

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

associated chloritization and very strong silicification. Although the intersection is sub-economic (assays pending), it provides further evidence of the lateral potential of the Hot Creek structure which is the focus of a uranium mineralizing event in a similar setting to that hosting the Mountain Lake deposit.

The hole presently in progress (HB-08-61) will test the Leroux/ Lady Nye contact 160 metres southeast of hole HB-08-42. A further hole is planned to test the structure approximately 500 metres to the south, on the east (downthrown) side of the Hot Creek fault.

Geophysics

The EMPulse crew completed transient audio magnetotelluric surveys over two 5 kilometre long lines on claims CM 56 and DM 51. The CM 56 line was designed to cross the western MEGATEM conductive zone at the point of intersection of 3 major lineaments and apparently detected an anomaly near the centre of the line as well as an apparent basement uplift that may coincide with the Copper fault. The DM 51 line was designed to cross the major structure flanking the Weather Lake ridge and search for alteration at depth. The terrain is very difficult and the line had to be put in at an oblique angle to the structure. The Company is still waiting for an interpretation of the data.

The Patterson crew completed two lines of Stepwise MLTEM on claims CM 72 and DM 41. Both were tests across the eastern MEGATEM conductive zone but the results have not been received to date. The crew is presently completing a Stepwise MLTEM survey over the CM 56 line to further refine the TAMT anomalies.

FUGRO have completed the portion of the airborne gamma ray/ magnetometer survey that cover the claims across the northern rim of the Coppermine property.

Geochemistry

A total of 99 soil samples were taken over the target structural intersections within covered Dismal Lake rocks on claims CD 13 and CM 52. The samples have been sent to Activation Labs for SGH and enzyme leach analysis. These two methods were chosen over standard soil assaying due to the deep glacial/ fluvial overburden overlying the target zones. Both targets lie within the Mouse River valley and are considerable distances from outcrop. It is hoped that the results will be received while the drill is still in the area. It has been decided not to do the planned IP/Resistivity surveying over the targets this season.

Lac Rouviere JV

Geology and Prospecting

Prospecting was conducted in the northeastern part of the Lac Rouviere property, where it mainly focused on follow up and expansion of areas with radioactive boulders found in 2007. About 70 new radioactive sandstone and conglomerate boulders were found in this region with cps values ranging between 265 and 11000. In addition, seven

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

radioactive occurrences were identified in sandstone bedrock, with cps values ranging between 280 and 1500.

Prospecting was conducted in the central part of the property, along the faulted contacts of a northeast trending area of granite flanked by Lady Nye sandstone. Three new bedrock hot spots have been identified (two in granite and one in sandstone) with cps values ranging between 870 and 1400, as well as three radioactive conglomerate and sandstone boulders with cps values between 265 and 1000.

The prospecting crew is presently concentrating on a northwest trending structure (fault zone with a parallel major dyke) that strikes northwest-southeast across the southern tier of claims. The GJC quartz stockwork zone, discovered by BP, is located along the fault approximately 6 kilometres east of the recently discovered Flare zone. The Flare occurrence consists of a dozen angular radioactive boulders of tectonic breccia within an area measuring about 30 metres by 30 metres. The uranium mineralization is probably associated with quartz veining within a sheared granitoid that has subsequently been intensely brecciated by reactivation of the faulting.

Paul Ramaekers is continuing the regional geological interpretation and is completing SEM studies on the higher grade radioactive boulders found on the property.

Geophysics

The Patterson crew completed the second loop of the South Kendall FLTEM grid. They are presently conducting a detailed magnetometer survey over the Flare occurrence in an effort to define the controlling structure. A similar detailed magnetometer survey will be conducted over the GJC zone.

FUGRO has flown the southern panhandle claims and has partially completed the lines over the main part of the Lac Rouviere property.

UNAD J.V.

FUGRO has completed flying the eastern block of UNAD ground being managed by Adriana Resources and the UNAD block along the Kendall River under UNOR management. The two northern blocks on Dismal Lake will be completed in conjunction with the remaining flying on the Lac Rouviere property.

Other UNOR Properties:

The Company has ensured that its Ontario gold and British Columbia copper properties remained in good standing.

Ontario Gold Properties:

In April 2005, the Company granted Laurion Mineral Exploration Inc. ("Laurion") the option to acquire a 50% interest in UNOR's East Clavos 20 gold claims near Timmins, Ontario in consideration for Laurion making certain payments, deliveries and

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

expenditures. Laurion will be able to earn the interest by incurring work expenditures of \$1.0 million on the East Clavos property over a four year period and by issuing 480,000 Laurion common shares and making cash payments totalling \$100,000 to UNOR over a three year period. Laurion has renamed the property Lydian and refers to it as such in its press releases.

In a press release dated April 1, 2008, Laurion announced that “two diamond drill holes (LY-08-01 and LY-08-02) will test a chargeability zone located along strike with known gold mineralization associated with the Pipestone fault.” There has been no subsequent press release detailing the results of the proposed drilling.

Also, the Company owns a gold claim in the Dryden area of northern Ontario.

British Columbia Copper Properties:

The Company has two assets in southern British Columbia that are of renewed interest due to the increase in the price of copper.

UNOR has a 5% net smelter royalty interest on 4,000 acres at the Similkameen copper porphyry mine located at Copper Mountain about 30 kilometres south of Princeton. The mine was a 22,000 ton/day operation that was closed by Princeton Mining in 1996 due to low copper prices. In December, 2006 the property was acquired by Copper Mountain Corporation and today, the property is under development.

Also, the Company owns four mineral Crown Grants located in the Princeton area that were formerly part of the Camsell property. The Crown Grants cover the historical Independence Mine workings that exploited high grade copper in a breccia pipe. The pipe is part of a much larger porphyry copper-gold deposit that has not been explored at depth. The surface mineralization is generally low grade and the few holes drilled in the past were targeted on specific structures and did not test depths greater than 400 feet.

Exploration and Development Costs Summary

Property	Balance June 30, 2008	Additions During Period	Balance March 31, 2008
	\$	\$	\$
Asiak River, Nunavut			
Airborne Geophysics	587,575	-	587,575
Assaying	443,613	-	443,613
Camp Operations & Support	1,385,053	-	1,385,053
Drilling	374,025	-	374,025
Geology	553,496	-	553,496
Ground Geophysics	903,095	-	903,095
Lease Rental Payments	41,716	-	41,716
Program Planning & Reports	269,824	-	269,824
Recording fees	72,165	-	72,165
Sampling	612,142	-	612,142
Surveying	273,686	-	273,686
Total Asiak	<u>5,516,390</u>	<u>-</u>	<u>5,516,390</u>
Coppermine River, Nunavut			
Airborne Geophysics	1,785,438	-	1,785,438

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

Assaying	265,740	3,213	262,527
Camp Operations & Support	2,868,652	-	2,868,652
Drilling	8,047,536	50,531	7,997,005
Geology	1,237,529	10,917	1,226,612
Ground Geophysics	3,545,252	15,106	3,530,146
Lease Rental Payments	273,289	-	273,289
Program Planning & Reports	631,903	18	631,885
Recording fees	133,027	-	133,027
Sampling	426,321	-	426,321
Surveying	885,460	-	885,460
Total Coppermine	<u>20,100,147</u>	79,785	<u>20,020,362</u>
East Block, Nunavut			
Airborne Geophysics	103,595	-	103,595
Assaying	16,619	-	16,619
Camp Operations & Support	229,010	-	229,010
Geology	83,802	-	83,802
Ground Geophysics	46,892	-	46,892
Lease Rental Payments	850	-	850
Program Planning & Reports	61,672	-	61,672
Recording fees	16,632	-	16,632
Sampling	44,924	-	44,924
Total East Block	<u>603,996</u>	-	<u>603,996</u>
Unad JV, Nunavut			
Airborne Geophysics	66,812	-	66,812
Camp Operations & Support	91,879	-	91,879
Geology	77,243	-	77,243
Ground Geophysics	166,285	-	166,285
Program Planning & Reports	15,108	-	15,108
Recording fees	13,430	-	13,430
Staking	47,456	-	47,456
Total Unad JV	<u>478,213</u>	-	<u>478,213</u>
Lac Rouviere Property, Nunavut			
Airborne Geophysics	184,042	123,520	60,522
Assaying	23,149	-	23,149
Camp Operations & Support	367,749	-	367,749
Geology	746,202	-	746,202
Ground Geophysics	204,959	5,938	199,021
Program Planning & Reports	35,142	806	34,336
Total Lac Rouviere	<u>1,561,243</u>	130,264	<u>1,430,979</u>
Baffin Island Project			
Assaying	8,784	7,048	1,736
Fuel Costs	(10,376)	(202,000)	191,624
Geology	49,450	-	49,450
Helicopters	167,753	-	167,753
Program Planning & Reports	1,953	-	1,953
Travel and Accommodations	35,013	-	35,013
Operators fee	(22,096)	-	(22,096)
Cameco share of costs	(220,961)	-	(220,961)
Total Baffin Island	<u>9,520</u>	(194,952)	<u>204,472</u>
Expenses to be allocated	1,030,181	1,030,181	-
Total Nunavut	29,299,690	1,045,278	28,254,412
Ontario Gold Properties	120,711	(24,373)	145,084
B.C. Properties	32,651	137	32,514
	<u>29,453,052</u>	1,021,042	<u>28,432,010</u>

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

6. Liquidity and Capital Resources

The Company has no operating revenues and relies primarily on equity financings as well as the exercise of warrants and options to fund its exploration and administrative costs.

The Company's operations consist of the exploration and evaluation of its various properties, a process that is ongoing, and is dependent on many factors some of which are beyond the Company's control. The Company maintains a policy of reviewing its working capital requirements on a continuous basis and is mindful of its property and administrative commitments.

At June 30, 2008, the Company's working capital totalled \$2,966,590 compared to \$3,967,142 at March 31, 2008. Cash balances were \$3,089,454 compared with \$4,017,083 at March 31, 2008. These decreases are primarily due to exploration costs of \$1,021,242 and an operating loss of \$196,568 less an increase in accounts payable of \$237,507. The Company's cash resources will fund the Company's planned activities until 2009.

Selected Annual Information

	2008	Year ending March 31, 2007	2006
	\$	\$	\$
Total revenues	143,105	218,641	65,833
Net Income (loss)	(116,120)	(614,934)	(1,036,748)
Basic net Income (loss) per share	(0.00)	(0.01)	(0.01)
Diluted net Income (loss) per share	(0.00)	(0.01)	(0.01)
Total assets	32,933,222	29,531,960	18,560,769

7. Results of Operations

During the three months ended June 30, 2008, the Company recorded an operating loss before Stock Option Compensation of \$179,510 compared to \$154,879 for the three months ended June 30, 2007. This increase is primarily due to a decrease in interest income of \$23,447, a decrease in professional fee of \$30,132 and a charge for the tax on flow-through funds raised in the prior calendar year and not spent by February 28 of the current calendar year of \$38,346.

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

Summary of Quarterly Results

	Fiscal 2009			
	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	\$	\$	\$	\$
Total Revenues	-	-	-	32,953
Net loss (income)	-	-	-	145,069
Basic net loss (income) per share	-	-	-	-
Diluted net loss (income) per share	-	-	-	-
	Fiscal 2008			
	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	\$	\$	\$	\$
Total Revenues	33,986	19,689	33,030	56,400
Net loss (income)	328,196	(472,459)	78,793	181,590
Basic net loss (income) per share	-	-	-	-
Diluted net loss (income) per share	-	-	-	-
	Fiscal 2007			
	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	\$	\$	\$	\$
Total Revenues	65,727	56,692	72,778	23,444
Net loss (income)	356,616	(88,115)	108,526	237,907
Basic net loss (income) per share	0.01	-	-	-
Diluted net loss (income) per share	0.01	-	-	-

8. Outstanding Share Data

As of August 20, 2008, the Company has issued one class of common shares and a total of 139,782,405 shares are outstanding. The Company has 9,421,120 share purchase warrants outstanding. Each warrant entitles the holder to purchase one common share at prices of \$0.25 to \$0.45 per share until March 1, 2010. Stock options outstanding as of August 15, 2008 total 7,890,447 and are exercisable for common shares at prices ranging from \$0.22 per share to \$ 0.67 per share

9. Commitments

- (a) The Company is party to certain management contracts. Minimum management contract commitments remaining under the agreements are approximately \$163,000, all payable within one year.
- (b) The Company is committed to minimum rentals under a long-term lease for premises, which expires May 31, 2012. Minimum rental commitments remaining under this lease approximate \$142,000 including \$34,000 due within one year. Minimum rental commitments for successive years approximate:

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

<u>Year</u>	<u>Amount</u>
	\$
2009	25,500
2010	34,000
2011	34,000
2012	34,000
2013	6,000
	<hr/>
	133,500
	<hr/>

10. Changes in Accounting Policies

On January 1, 2008, the CICA issued three new accounting standards: Capital Disclosures (Handbook Section 1535), Financial Instruments – Disclosures (Handbook Section 3862), and Financial Instruments – Presentation (Handbook Section 3863). These new standards became effective for the Company on April 1, 2008.

Capital Disclosures

Handbook Section 1535 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 noncompliance. The Company has included disclosures recommended by the new Handbook section in note 3 to its financial statements.

Financial Instruments

Handbook Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. The Company has included disclosures recommended by the new Handbook sections in note 4 to its financial statements.

11. 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.

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

The carrying amounts for cash and cash equivalents, amounts receivable, GST receivable and accounts payable and accruals on the balance sheet approximate fair value because of the limited term of the instruments.

Commodity Price Risk

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

12. Litigation

The Company is not involved in any outstanding litigation.

13. Off Balance Sheet Arrangements

The Company has no off balance sheet arrangements.

14. Related Party Transactions

The Company had no related party transactions except in the normal course of operations that were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Cameco currently holds a 19.5% interest in the Company. Under the terms of a strategic alliance agreement dated June 19, 2006, Cameco has the right to maintain this interest through future participation in cash and non-cash share offerings of the Company as well as share issuances on the conversion of convertible instruments. Cameco can exercise this right as long as at the time of the offering it holds a minimum of 16% of the issued and outstanding shares of the Company. Cameco is also entitled to nominate one individual for election to the board of directors of the Company as long as it holds not less than 10% of the issued and outstanding shares of the Company.

15. Directors and Officers Compensation

During the three months ended June 30, 2008 the Company paid \$14,375 to directors of the Company and \$105,700 to officers of the Company as remuneration for services provided.

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

16. Disclosure Controls and Procedures and Internal Control over Financial Reporting

The Company has established and is maintaining disclosure controls and procedures. These provide reasonable assurance that material information relating to the Company is disclosed in annual filings, interim filings or other reports and is recorded, processed, summarized and reported within the time periods as required by securities regulations.

Management has evaluated the effectiveness of the Company's disclosure controls and procedures and believes that they are sufficient to provide reasonable assurance that the Company's disclosures are compliant with securities regulations.

The Company has established and is maintaining internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Generally Accepted Accounting Practices.

No changes in the Company's internal control over financial reporting has occurred that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

17. Risks & Uncertainties

Exploration

The Company's exploration projects are subject to conditions beyond its control that can affect the carrying costs and development costs for varying lengths of time. Such conditions include environmental hazards, unusual or unexpected geological formations or pressures and periodic interruptions due to inclement or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or facilities, personal injury, environmental damage, delays in exploration programs, monetary losses and possible legal liability. Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful. Success in establishing reserves is a result of a number of factors, including the quality of management, the Company's level of geological and technical expertise, the quality of land holdings, the availability of suitable contractors, and other factors. Through high standards and continuous improvement the Company works to reduce these risks and maintains insurance to cover normal business risks.

If mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling, to determine the optimal metallurgical process to extract the metals from the ore and to construct mining and processing facilities. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment of resources or reserves. Whether a resource deposit will ultimately be

UNOR INC.
MANAGEMENT DISCUSSION AND ANALYSIS
June 30, 2008

commercially viable depends on a number of factors, including the particular attributes of the deposit such as the deposit's size, financing costs and the prevailing prices for the applicable resource. Also of key importance are government regulations, including those relating to prices, taxes, royalties, land tenure, land use and environmental protection.

Financing

In the absence of cash flow from operations the Company relies on the capital markets to fund operations. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that additional funding will be available, or available under terms favourable to the Company. Failure to obtain such additional finance could result in delay or the indefinite postponement of further exploration and the development of the Company's properties.

Licenses and Permits, Laws and Regulations

The Company's exploration activities require permits from various government authorities, and are subject to extensive federal provincial and local laws and regulations governing prospecting, exploration, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become stringent and compliance can therefore become more costly. The Company relies on the expertise and commitment of its management team, their advisors, its employees and contractors to ensure compliance with current laws and fosters a climate of open communication and co-operation with regulatory bodies.

The Company believes that it holds all necessary licenses and permits under applicable laws and regulations and believes it is presently complying in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to change in various circumstances. There can be no guarantee that the Company will be able to maintain or obtain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities or to maintain continued operations.

Environmental, Health and Safety

The Company's activities are subject to extensive federal, provincial and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, where enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The company is also subject to various reclamation-related conditions imposed under federal or provincial rules and permits, and there can be no assurance that they will not change in the future in a manner that could have a material effect on the Company's financial condition, liquidity or results of operations.

CERTIFICATION OF INTERIM FILINGS

I, **George P. Bell, the Chief Executive Officer of Unor Inc.**, certify the following:

1. I have reviewed the interim financial statements and MD&A (together the interim filings) of Unor Inc. (the issuer) for the interim period ending June 30, 2008;
2. Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the interim filings; and
3. Based on my knowledge, having exercised reasonable diligence, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings.

Date: August 20, 2008

(Signed) "*George P. Bell*"

President and CEO

NOTE TO READER

In contrast to the certificate required under Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (MI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in MI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) Controls and other procedures designed to provide reasonable assurances that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

CERTIFICATION OF INTERIM FILINGS

I, Ian Shaw, the Chief Financial Officer of Unor Inc., certify the following:

1. I have reviewed the interim financial statements and MD&A (together the interim filings) of Unor Inc. (the issuer) for the interim period ending June 30, 2008;
2. Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the interim filings; and
3. Based on my knowledge, having exercised reasonable diligence, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings.

Date: August 20, 2008

(Signed) "*Ian Shaw*"

Vice President and CFO

NOTE TO READER

In contrast to the certificate required under Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (MI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in MI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) Controls and other procedures designed to provide reasonable assurances that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

UNOR INC.

(A Development Stage Company)

Interim Consolidated Financial Statements

June 30, 2008

Unaudited

UNOR INC.

(A Development Stage Company)

Consolidated Balance Sheets

	June 30, 2008 Unaudited	March 31, 2008 Audited
	\$	\$
Assets		
Current		
Cash and cash equivalents	3,089,454	4,017,083
Amounts receivable	162,225	-
GST receivable	37,506	35,148
Prepaid expenses	8,000	8,000
	<u>3,297,185</u>	<u>4,060,231</u>
Equipment (Note 5)	55,981	59,981
Prepaid Mineral Exploration Expenditures	185,000	381,000
Interest in Mineral Properties (Note 6)	29,453,052	28,432,010
	<u><u>32,991,218</u></u>	<u><u>32,933,222</u></u>
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accruals	330,595	93,089
Future Income Tax Liability	3,302,000	3,353,500
	<u>3,632,595</u>	<u>3,446,589</u>
Shareholders' Equity		
Capital stock (Note 7)	34,414,534	34,414,534
Contributed surplus (Note 8)	3,660,487	3,643,428
Deficit	<u>(8,716,398)</u>	<u>(8,571,329)</u>
Total Equity	29,358,623	29,486,633
	<u><u>32,991,218</u></u>	<u><u>32,933,222</u></u>

Going Concern (Note 2)

Commitments (Notes 6 and 10)

APPROVED ON BEHALF OF THE BOARD

_____, Director

_____, Director

See accompanying notes to the interim unaudited consolidated financial statements

UNOR INC.

(A Development Stage Company)

Consolidated Statements of Operations and Deficit

Unaudited

	3 Months Ending June 30,	
	2008	2007
	\$	\$
Revenue		
Interest	<u>32,953</u>	56,400
Expenditures		
Stock option compensation	17,059	26,711
Professional fees	31,450	61,582
Interest and bank charges	400	878
Travel and promotion	9,608	13,462
Shareholders information	2,219	18,672
Office and general	37,387	26,597
Insurance	34,942	35,500
Salaries and benefits	39,736	36,763
Directors fees	14,375	15,625
Tax interest on flow-through funds	38,346	-
Depreciation	4,000	2,200
	<u>229,522</u>	237,990
Loss before income taxes	(196,569)	(181,590)
Future income tax recovery	<u>51,500</u>	-
Net Loss for the period	(145,069)	(181,590)
(Deficit), beginning of period	<u>(8,571,329)</u>	(8,455,209)
(Deficit), end of period	<u>(8,716,398)</u>	(8,636,799)
Net Loss per share - basic and diluted	-	-
Weighted average number of common shares outstanding	<u>139,782,405</u>	123,517,307

See accompanying notes to the interim unaudited consolidated financial statements

UNOR INC.
(A Development Stage Company)
Consolidated Statements of Cash Flows
Unaudited

	3 Months Ending June 30,	
	2008	2007
	\$	\$
Cash Flows From		
Operating activities		
Net (Loss) for the period	(145,069)	(181,590)
Less: Items not involving cash		
Future income tax recovery	(51,500)	-
Depreciation	4,000	2,200
Stock option compensation	17,059	26,711
Change in non cash working capital		
Decrease in refundable deposits	-	327,755
(Increase) in amounts receivable	(162,225)	
(Increase) in GST receivable	(2,358)	(112,137)
Decrease in prepaid expenses	-	5,000
Increase in accounts payable	237,507	940,688
	<u>(102,586)</u>	<u>1,008,627</u>
Investing activities		
Purchase of equipment	-	(11,447)
Prepaid mineral exploration expenditures	196,000	520,810
Interest in mineral properties	(1,021,042)	(3,129,460)
	<u>(825,042)</u>	<u>(2,620,097)</u>
(Decrease) in cash and cash equivalents	(927,628)	(1,611,470)
Cash and cash equivalents at beginning of period	4,017,083	6,491,389
Cash and cash equivalents at end of period	3,089,455	4,879,919
Cash and cash equivalents are composed of the following:		
Cash	119,925	76,763
Cash equivalents	2,969,529	4,803,156
	<u>3,089,454</u>	<u>4,879,919</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest paid	-	484
Income taxes paid	-	-

See accompanying notes to the interim unaudited consolidated financial statements

UNOR INC.
(A Development Stage Company)
Notes to Unaudited Consolidated Financial Statements
June 30, 2008

1. BASIS OF PRESENTATION

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

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

These interim consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and follow the same accounting policies and methods of application as the audited consolidated financial statements for the year ended March 31, 2008, except as noted below. They do not include all of the information and disclosures required by Canadian GAAP for annual consolidated financial statements. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these consolidated financial statements. Operating results for the period ended June 30, 2008 are not necessarily indicative of the results that may be expected for the full year ended March 31, 2009. For further information, see the Company's consolidated financial statements including the notes thereto for the year ended March 31, 2008.

Change in accounting policies

On January 1, 2008, the CICA issued three new accounting standards: Capital Disclosures (Handbook Section 1535), Financial Instruments – Disclosures (Handbook Section 3862), and Financial Instruments – Presentation (Handbook Section 3863). These new standards became effective for the Company on April 1, 2008.

Capital Disclosures

Handbook Section 1535 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 noncompliance. The Company has included disclosures recommended by the new Handbook section in note 3 to these financial statements.

Financial Instruments

Handbook Sections 3862 and 3863 replace Handbook Section 3861, Financial Instruments – Disclosure and Presentation, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. The Company has included disclosures recommended by the new Handbook sections in note 4 to these financial statements.

2. NATURE OF OPERATIONS AND GOING CONCERN

Unor Inc. (the "Company") is a development stage company as defined by the Canadian Institute of Chartered Accountants (the "CICA") Accounting Guideline 11 and currently has interests in exploration and development properties in Canada. Substantially all of the Company's efforts are devoted to financing and developing these properties. There has been no determination whether the Company's interests in mineral properties contain mineral reserves which are economically recoverable.

2. NATURE OF OPERATIONS AND GOING CONCERN (continued)

The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write downs of the carrying values.

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 unregistered prior agreements and non-compliance with regulatory requirements.

These consolidated 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 consolidated financial statements.

The Company has a need for equity capital and financing in order to explore and develop its properties and for working capital requirements. Because of limited working capital and 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.

3. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Several properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

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

There were no changes in the Company's approach to capital management during the period ended June 30, 2008. The Company is not subject to externally imposed capital requirements.

4. FINANCIAL RISK FACTORS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

The Company's credit risk is primarily attributable to short-term investments and receivables included in other assets. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents consist of bank deposits which have been invested with or purchased from reputable financial institutions, from which management believes the risk of loss to be remote.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2008, the Company had a cash balance of \$3,089,454 (March 31, 2008 - \$4,017,083) to settle current liabilities of \$330,595 (March 31, 2008 - \$93,089). All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

(a) Interest rate risk

The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks..

(b) Foreign currency risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. From time to time, the Company funds certain operations, exploration and administrative expenses in US dollars on a cash call basis using US dollar currency converted from its Canadian dollar bank accounts held in Canada. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

(c) Price risk

The Company is exposed to price risk with respect to commodity prices. Changes in commodity prices will impact the economics of development of the Company's mineral properties. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Sensitivity analysis

The Company has designated its cash and cash equivalents as held-for-trading, which are measured at fair value. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

As at June 30, 2008, the carrying and fair value amounts of the Company's financial instruments are the same.

The Company does not hold significant balances in foreign currencies to give rise to exposure to foreign exchange risk.

Price risk is remote since the Company is not a revenue producing entity.

UNOR INC.
(A Development Stage Company)
Notes to Unaudited Consolidated Financial Statements
June 30, 2008

5. EQUIPMENT

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net June 30, 2008</u>	<u>Net March 31, 2008</u>
Furniture and fixtures	\$43,224	\$30,257	\$12,967	\$13,567
Computer equipment	<u>77,598</u>	<u>34,584</u>	<u>43,014</u>	<u>46,414</u>
	<u>\$120,822</u>	<u>\$64,841</u>	<u>\$55,981</u>	<u>\$59,981</u>

6. INTEREST IN MINERAL PROPERTIES

	Balance June 30, 2008	Additions During Period	Balance March 31, 2008
Property			
Asiak River, Nunavut (a)	\$ 5,516,390	\$ -	\$ 5,516,390
Coppermine River, Nunavut (b)	21,130,328	1,109,966	20,020,362
East Block, Nunavut (c)	603,996	-	603,996
Unad JV, Nunavut (d)	478,213	-	478,213
Lac Rouviere, Nunavut (e)	1,561,243	130,264	1,430,979
Baffin Island, Nunavut (f)	9,520	(194,952)	204,472
Ontario Gold Properties (g)	120,711	(24,373)	145,084
B.C. Properties (h)	32,651	137	32,514
	<u>\$ 29,453,052</u>	<u>\$ 1,021,042</u>	<u>\$ 28,432,010</u>

(a) ASIAK RIVER, NUNAVUT

The Company held a 100% interest in 90 mineral claims covering 221,707 acres in the Asiak River area of Nunavut. During the 2007 exploration season the Company surveyed 16 of these claims to convert to leases, 40 claims were allowed to lapse and 34 claims will lapse on October 14, 2008. The sixteen remaining leases covering 41,320 acres are subject to a 1% net smelter royalty and/or a 1% gross diamond royalty subject to a combined maximum with Coppermine and East Block of \$10,000,000.

(b) COPPERMINE RIVER, NUNAVUT

The company holds a 100% interest in 103 mineral leases and 16 mineral claims covering approximately 275,000 acres in the Coppermine River area of Nunavut. These claims and leases are subject to a 1% net smelter royalty and/or a 1% gross diamond royalty subject to a combined maximum with Asiak and East block of \$10,000,000.

(c) EAST BLOCK, NUNAVUT

The company holds a 100% interest in 9 mineral leases and 7 mineral claims covering approximately 35,000 acres in the East Block area of Nunavut. These claims and leases are subject to a 1% net smelter royalty and/or a 1% gross diamond royalty subject to a combined maximum with Asiak and Coppermine of \$10,000,000.

6. INTEREST IN MINERAL PROPERTIES (Continued)

(d) **UNAD JV, NUNAVUT**

Pursuant to agreements dated September 30, 2006 the Company holds a 50% interest in 42 mineral claims covering 91,896 acres in Coppermine River area of Nunavut.

(e) **LAC ROUVIERE PROPERTY, NUNAVUT**

On October 23, 2006 the Company entered into an option agreement with Cameco Corporation ("Cameco") on 206 uranium mineral claims held by Cameco covering approximately 521,500 acres in western Nunavut which adjoin the northwest corner of the Company's wholly owned Coppermine River claim block.

In order to earn a 60% interest in the property, the Company must incur exploration and development expenditures of \$3.0 million by March 31, 2010, of which a minimum of \$2.0 million must be incurred on or before June 30, 2008. The parties will establish a joint venture on the date the Company has exercised its earn-in right of 60%.

The Company will be the operator of the joint venture.

Cameco has the right within 90 days after the joint venture has either operated for two years or incurred \$3.0 million of expenditures on the property to earn back 15% by investing an additional \$3.0 million to increase its interest to 55% and reduce the Company's interest to 45%.

(f) **BAFFIN ISLAND, NUNAVUT**

On February 5, 2007, the Company entered into a joint venture agreement with Cameco to establish a joint venture to explore for uranium on 27 prospecting permits currently held by Cameco covering 1,588,000 acres on Baffin Island, Nunavut, Canada.

The Company will be the operator of the joint venture.

The initial participating interest of the parties will be Cameco - 51% and the Company - 49%. Cameco has the right, exercisable within 90 days after the joint venture has either operated for four years or incurred \$6.0 million of expenditures on the property, to increase its interest in the joint venture to 65% and reduce the Company's interest to 35% by committing to incur an additional \$6.0 million on exploration and development of the property during a two-year period following the date on which Cameco makes such an election.

(g) **ONTARIO GOLD PROPERTIES**

The Company holds a 100% interest in five mineral properties located in Ontario.

On April 21, 2005 the Company entered into an agreement with Laurion Mineral Exploration Inc. (formerly "Laurion Gold Inc.") ("Laurion") whereby Laurion would have the right to earn a 50% interest in the Company's East Clavos gold project in consideration for Laurion making certain payments, deliveries and expenditures.

UNOR INC.
(A Development Stage Company)
Notes to Unaudited Consolidated Financial Statements
June 30, 2008

6. INTEREST IN MINERAL PROPERTIES (Continued)

Laurion will be able to earn the interest by incurring work expenditures of \$1.0 million on the property over a five-year period, issuing 480,000 Laurion common shares and by making cash payments totaling \$100,000 to the Company over a three year period. The common shares and cash has been received by the Company.

(h) B.C. PROPERTIES

The Company holds a 100% interest in four Crown grants in the Camsell and Similkameen area of British Columbia and a 5% net smelter royalty interest on certain parts of the Similkameen Copper Mine.

7. CAPITAL STOCK

Authorized

Unlimited number of common shares
 Unlimited number of preference shares

Issued

139,782,405 common shares

	<u>Number of Shares</u>	<u>Amount</u>
Balance June 30, 2008 and March 31, 2008	<u>139,782,405</u>	<u>\$33,771,889</u>

Issued

9,421,120 warrants

	<u>Number of Warrants</u>	<u>Amount</u>
Balance June 30, 2008 and March 31, 2008	<u>9,421,120</u>	<u>\$ 642,645</u>
		<u>\$ 34,414,534</u>

Warrants outstanding

Each warrant entitles the holder to purchase one common share of the Company.

<u>Number of Warrants</u>	<u>Exercise Price</u>	<u>Expiry Date</u>	<u>Book value</u>
#	\$		\$
2,661,934	0.45	05-Oct-09	230,845
428,571	0.35	05-Oct-09	55,712
4,300,000	0.35	28-Dec-09	223,167
860,000	0.25	28-Dec-09	60,200
129,000	0.35	28-Dec-09	20,640
<u>1,041,615</u>	0.35	01-Mar-10	<u>52,081</u>
<u>9,421,120</u>			<u>642,645</u>

UNOR INC.
(A Development Stage Company)
Notes to Unaudited Consolidated Financial Statements
June 30, 2008

7. CAPITAL STOCK (Continued)

Options

The Company's Stock Option Plan (the "Plan") provides for the granting of stock options to directors, officers, employees and consultants of the Company. Share options are granted for a term not to exceed five years at exercise prices not less than the closing sale price of the shares on the Exchange on the trading day immediately preceding the date options are granted, and are not transferrable. The plan is administered by the Board of Directors, which determines individual eligibility under the Plan, number of shares reserved for optioning to each individual (not to exceed 5% of issued and outstanding shares to any one individual) and the vesting period. The maximum number of shares of the Company that are issuable pursuant to the Plan is limited to 10% of the issued shares.

Options to purchase common share outstanding at June 30, 2008 carry exercise prices and remaining terms to maturity as follows:

Number of Options	Options Exercisable	Exercise Price	Expiry Date
#	#	\$	
877,947	877,947	0.385	10-Mar-09
1,092,500	1,092,500	0.40	31-Mar-09
425,000	425,000	0.35	14-Apr-09
1,300,000	1,300,000	0.60	20-Sep-09
100,000	100,000	0.67	04-Oct-09
100,000	100,000	0.63	04-Oct-09
50,000	50,000	0.55	20-Oct-09
150,000	150,000	0.55	26-Oct-09
350,000	350,000	0.55	21-Apr-10
150,000	150,000	0.60	13-Jul-10
1,100,000	1,100,000	0.38	05-Jan-11
975,000	818,000	0.57	06-Mar-12
1,220,000	802,000	0.22	19-Feb-13
<u>7,890,447</u>	<u>7,315,447</u>		

8. CONTRIBUTED SURPLUS

Contributed surplus transactions for the three months ended June 30, 2008 were as follows:

Balance March 31, 2008	\$3,643,428
Employee stock-based compensation	14,355
Non employee stock-based compensation	2,704
Balance June 30, 2008	<u>\$3,660,487</u>

UNOR INC.
(A Development Stage Company)
Notes to Unaudited Consolidated Financial Statements
June 30, 2008

9. 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 amounts for cash and equivalents, amounts receivable, GST receivable and accounts payable and accruals on the balance sheet approximate fair value because of the limited term of the instruments.

Commodity Price Risk

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

10. COMMITMENTS

- (a) The Company is party to certain management contracts. Minimum management contract commitments remaining under the agreements are approximately \$163,000, all payable within one year.
- (b) Pursuant to the issuance of 12,885,714 flow-through shares in October and December 2007 the Company renounced \$3,650,000 of qualified exploration expenditures with an effective date of December 31, 2007. As of June 30, 2008, the Company has expended \$1,742,112 related to these flow through funds and is required to expend the balance of \$1,907,888 by December 31, 2008.
- (c) The Company is committed to minimum rentals under a long-term lease for premises, which expires May 31, 2012. Minimum rental commitments remaining under this lease approximate \$133,500 including \$34,000 due within 12 months. Minimum rental commitments for successive years approximate:

<u>Year ended March 31</u>	<u>Amount</u>
	\$
2009	25,500
2010	34,000
2011	34,000
2012	34,000
2013	6,000
	<u>133,500</u>

11. RELATED PARTY TRANSACTIONS

Cameco currently holds a 19.5% interest in the Company. Under the terms of a strategic alliance agreement dated June 19, 2006, Cameco has the right to maintain this interest through future participation in cash and non-cash share offerings of the Company as well as share issuances on the conversion of convertible instruments. Cameco can exercise this right as long as at the time of the offering it holds a minimum of 16% of the issued and outstanding shares of the Company. Cameco is also entitled to nominate one individual for election to the board of directors of the Company as long as it holds not less than 10% of the issued and outstanding shares of the Company.

UNOR INC.
(A Development Stage Company)
Notes to Unaudited Consolidated Financial Statements
June 30, 2008

12. INTERESTS IN JOINT VENTURES

The Company's proportionate share of the assets, liabilities and cash flows of its joint ventures as described in Notes 6(d) and (f) included in these consolidated financial statements are as follows:

	June 30, 2008
	<u>\$</u>
Current assets	-
Interest in mineral properties	587,733
Current liabilities	-
Revenues	-
Expenses	-
Cash flows from operating activities	-
Cash flows from financing activities	-
Cash flows from investing activities	194,962