



FIRST QUARTERLY REPORT FOR THE PERIOD ENDING – January 31, 2008

The Company is focused on the exploration and discovery of ore deposits within Québec's newest mining district – the Eastmain/Opinaca (Éléonore) region. Eastmain owns 100% of two gold deposits, Eau Claire and Eastmain, as well as 10 other projects, covering in excess of 1,200 km² within the region. Infrastructure in the district is rapidly improving through the construction of roads, power services, fuel depots, airstrips, telecommunication centres and accommodation facilities by Hydro Québec. It is also expected that Goldcorp Inc. will develop a gold mill in the near future, once it confirms that the Roberto Gold deposit is feasible to develop – a likely scenario in our opinion.

Subsequent to the period ending January 31, 2008 Goldcorp, through its wholly owned subsidiary Les Mines Opinaca Ltée. ("Opinaca"), elected to increase its interest in the Éléonore South project. To earn the additional interest Opinaca must fund all exploration expenditures and deliver a bankable feasibility study to the partners. Eastmain will remain as the project operator until Opinaca elects to take over as manager of the project. Eastmain will retain a 30% carried interest to bankable feasibility. This is a very positive development for the Company and a testament to the quality of exploration work completed by Eastmain, and the results of that work.

Éléonore South JV

Eastmain served notice to Goldcorp and Azimut that it has completed expenditure requirements necessary to vest our interest in the Éléonore South project. Upon review, both Goldcorp and Azimut have accepted this notice of first option. Eastmain also presented the results of the 2007 field season and recommended a major drill program to test the priority targets. Goldcorp subsequently elected to increase its ownership in the project by funding a bankable feasibility study on or before June 2015. Eastmain is relieved of all expenditure requirements on the project for the foreseeable future. Goldcorp has requested that Eastmain remain as project manager. The first-phase drill program will test high priority targets, which must be drilled during winter months and will include targets in the JT Discovery area.

Clearwater Project

During the period, the Company completed 53 large diameter (HQ) drill holes within the Eau Claire gold deposit. The program successfully tested the upper portion of the deposit (450 West Zone) for a length of 300 metres and to a depth of 100 metres. Approximately six tonnes of core (2,000 ½-metre core samples) were shipped to SGS Minerals' Lakefield research facility for metallurgical testing. Our first objective is to obtain a comprehensive assessment of what future "mine grade" and gold recoveries will be at Eau Claire.

The Company has received partial density measurements from metallurgical prep-work from Lakefield. This data will be used to calculate new resource tonnages from current drill data. Higher density measurements will equate to higher tonnage estimates and therefore a subsequent increase in total gold resources.

At Eau Claire, it is also apparent that the previous drill-derived indicated resource grade of 9.46 g/t gold is much lower than the average composite channel sample grade of 23.5 g/t gold collected at surface. 180 quartz-tourmaline vein and schist drill intercepts sampled in the recent program, include 55 intervals containing visible gold ranging from 1 to over 100 grains per intercept and varying in size from <1mm to more than 4 mm (January 10, 2008 News Release). Since Eau Claire is characterized as a very fine grained gold deposit, where the average gold grain size approximates that of a grain of flour, these new visible gold intercepts are extremely pertinent to any future recalculation of gold resources. No assay data has been received to date.

The combined impact of increasing both gold grade and gold price are very strong "value-drivers" for the Eau Claire deposit. The 450 West Zone, which represents only a portion of the deposit, has now been drilled at 12.5-metre centers. This will provide sufficient geological confidence to calculate a measured resource. To date, the gold deposit contains in excess of 1,000 ounces of gold per vertical metre, traced to 900 metres below surface (NI-43-101

Report, Dec 30, 2005). There is excellent potential to increase the resource by expanding the geometry of the deposit and increasing gold grade.

Future drill programs will focus on adding and up-grading near-surface resources at Eau Claire in addition to searching for a second deposit on the property.

Eastmain Mine

The Company acquired the Eastmain Mine property through the issuance of two million shares, one million warrants and \$2.5 million cash to purchase the gold deposit and mine property. The first tranche of one million shares became free-trading in July 2007 and were subsequently sold by Campbell. The second tranche of shares (1 million) became free-trading in November 2007. Management acquired 100,000 shares and institutional buyers purchased the remaining shares to eliminate any "overhang" in the market. 500,000 share purchase warrants expired unexercised in February 2008, subsequent to the reporting period.

The Eastmain gold deposit was discovered by testing an airborne geophysical anomaly coinciding with ultramafic rocks similar to those hosting large gold deposits in Australia. The main gold zone or contact ore type is also mineralogically and geologically comparable to the multi-million-ounce Detour Lake gold deposit located in Ontario. A new "hangingwall" ore type recently discovered at Detour outlines a very large multi-million ounce gold resource. The same geological setting and target-type is also evident at the Eastmain gold deposit, and has never been sampled or tested. This ore type provides a large and very attractive exploration target on our wholly-owned Eastmain gold deposit and the Ruby Hill properties.

A major drill program is planned for Q2 2008 to evaluate both the contact and hangingwall ore types laterally to the gold deposit and regionally on a property scale.

Financial

The Company's current assets, comprised of cash, cash equivalents and short-term investments total \$6.25 million. The Company also has an estimated \$1.8 million in resource credits receivable due from the Province of Québec for expenditure claims up to October 31, 2007. During the quarter, the Corporation received \$ 3.2M from the exercise of warrants and \$150,000 from a private placement subscribed to by directors, officers and service providers of the Company.

Outlook

The Company achieved another significant milestone with Goldcorp opting to fund the Éléonore South project to bankable feasibility, while retaining Eastmain as the project manager. Numerous drill programs are planned for 2008; each will include drilling holes under "metal". Our \$3.75-million exploration budget will focus on testing world-class targets, which have taken considerable determination and effort to develop.

We look forward to an exciting 2008 season.

Donald J. Robinson, Ph.D., P. Geo.
President and Chief Executive Officer
March 17, 2008

All scientific and technical data disclosed in this report has been prepared under the supervision of, and verified by Dr. Donald J. Robinson, a "qualified person" within the meaning of National Instrument 43-101. For further details on the properties of the Corporation, please refer to the 2007 Annual Information Form available on SEDAR at www.sedar.com.

Forward-Looking Statements

Certain information set forth in this letter may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of the Corporation, including, but not limited to, the impact of general economic conditions, industry conditions, volatility of commodity prices, risks associated with the uncertainty of exploration results and estimates, currency fluctuations, dependence upon regulatory approvals, the uncertainty of obtaining additional financing and exploration risk. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

EASTMAIN RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

General

The following discussion of performance, financial condition and future prospects should be read in conjunction with the audited consolidated financial statements of Eastmain Resources Inc. (the "Company") for the three months ended January 31, 2008 and related notes thereto, which have been prepared in accordance with Canadian generally accepted accounting principles. All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

All statements, other than historical facts, included herein, including without limitation, statements regarding potential mineralization, resources, exploration results and future plans and objectives of the Company are forward-looking statements and involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated. Factors which may cause actual results and events to differ materially from those anticipated include, but are not limited to, actual results of mineral exploration and development, availability of financing, changes in applicable regulations, mineral value, equity market fluctuations and cost and supply of materials.

This management's discussion and analysis is dated March 11, 2008.

Corporate Overview

The Company, incorporated under the laws of Ontario, and its wholly owned subsidiary, Eastmain Mines Inc. are engaged in the mining, exploration and development of resource properties, primarily those containing gold, silver, copper, nickel and zinc in Canada.

The Company is primarily focused on gold exploration in the Eastmain/Éléonore area of James Bay, Québec. The Company holds 12 properties covering over 1200 km² in this new mining district, including 100% interest in the Clearwater Project, which hosts a gold resource referred to as the Eau Claire gold deposit. In March 2006, Goldcorp Inc. ("Goldcorp") finalized the purchase of the Éléonore property and the Roberto gold deposit from Virginia Mines Inc. in a transaction valued at US\$406 Million (Goldcorp 2006 First Quarter Report). The Goldcorp-Virginia transaction created renewed interest in the exploration of the frontiers of James Bay. Subsequently, Goldcorp Inc., Eastmain Resources Inc. and Azimut Exploration Inc. formed a joint venture by combining 65 km² of the Éléonore property with the Azimut C claim block, to form what is now referred to as the Éléonore South Property. Goldcorp also increased its ownership in Eastmain Resources Inc. and extended its strategic alliance with the Company into 2011. Goldcorp currently holds 8.9% of Eastmain's common shares.

In February 2007, the Company acquired 100% interest in the Eastmain gold deposit, which hosts a gold resource of 255,700 ounces (measured and indicated).

In May 2007 Eastmain and Goldcorp signed a confidentiality agreement on the Clearwater Project for the purposes of data sharing and providing technical support in a preliminary economic evaluation of the Eau Claire gold deposit.

In February, 2008 Les Mines Opinaca Ltée. ("Opinaca"), a wholly owned subsidiary of Goldcorp Inc. exercised its right to increase its interest by 6.67% in the Éléonore South joint venture, to a total of 40%. To earn the additional interest, Opinaca must fund all exploration expenditures to delivery of a bankable feasibility. If Opinaca completes the earn-in obligations, the project ownership will be: Opinaca 40%, Eastmain 30% and Azimut Exploration Inc. 30%. Eastmain will remain as the project manager, until Opinaca chooses to exercise its right to take over as operator of the project.

The decision by Opinaca to increase its interest in the project speaks to their opinion of the quality of the property and the progress of the work completed by Eastmain to date. The James Bay region of Quebec is becoming one of Canada's most important areas for mineral exploration and discovery.

The Company has formed joint venture partnerships or strategic alliances with a number of mining companies, including Barrick Gold Corporation, BHP Billiton PLC, Xstrata Copper Canada Inc. (formerly Falconbridge Limited) and Goldcorp, to capitalize on the technical, financial and marketing capabilities of the major mineral producers.

The Company holds 70% interest in a district-scale exploration project in joint venture with Xstrata. The joint venture is designed to locate base metal deposits (copper, nickel and zinc) within trucking distance of Xstrata's existing smelters, utilizing proprietary geophysical technology.

Overall Performance

The Company's total assets of \$30.2 million as at January 31, 2008 have increased from the \$27.4 million reported as at October 31, 2006. During the three months ended January 31, 2008, the Company received \$3.0 million through exercise of warrants and \$0.2 million through the sale of shares. During this quarter, the Company invested \$0.8 million gross in exploration expenditures. During the three months ended January 31, 2007, the Company received \$0.4 million through exercise of warrants and \$0.1 million through the sale of shares. During that quarter, the Company also invested \$0.8 million gross, in exploration expenditures.

The Company holds 100% interest in the Clearwater Project, subject to a 2% Net Smelter Return Royalty ("NSR") in favour of SOQUEM. The cash component of this acquisition, made during fiscal 2005, was offset by \$427,655 in tax rebates received. Deferred exploration expenditures on the Company's Québec projects are subject to approximately 46.1% mining duty and provincial refund to the Company. An estimated \$1,860,000 of tax rebates and mining duties are still owed to the Company by the Province of Québec in respect of claims filed up to October 31, 2007. As at January 31, 2007 the Company was eligible for resource tax credits estimated at \$1,225,000 for claims filed up to October 31, 2006.

The Company, Azimut and Goldcorp had formed a 3-Way Joint Venture by combining Azimut's mining claims from the Opinaca C Block and selected mining claims from Goldcorp's Éléonore claim block to create the Éléonore South property. Eastmain has satisfied the work requirements to earn a 1/3 interest in the Éléonore South project by completing \$4 million in work expenditures within the four-year period. Goldcorp has exercised its option to acquire an additional 6.67% interest by funding all exploration expenditures up to the delivery of a bankable feasibility study.

The Eastmain Mine property was acquired in February 2007 from Campbell Resources Inc. through the Company's wholly owned subsidiary, Eastmain Mines Inc., at a total cost of \$4.3 million: Cash - \$2.5 million, Eastmain Resource Inc. common shares - \$1.6 million, Eastmain Resource Inc. common share purchase warrants - \$32,500 and legal costs and other - \$156,000. One half of these warrants expired unexercised in February 2008.

Campbell Resources Inc. retains a 2% net smelter return royalty ("NSR") on the mine property. Eastmain Resources Inc. holds an option to purchase one-half of the NSR for \$1 million when production exceeds 250,000 ounces of gold.

There are significant uncertainties regarding the trends in gold, silver and other mineral prices and the availability of equity financing when proceeds are used for the purposes of mineral exploration and development. For instance, the price of gold, silver and other minerals has fluctuated widely in recent years and wide fluctuations are expected to continue. The market price of gold fell from above US\$350 per ounce for most of the 1990's to US\$260 per ounce in 2001. Since that time the price of gold has risen steadily, reaching current highs exceeding US\$900 per ounce. Increased gold prices in the last several years have encouraged the Company to participate more actively in exploration and acquisition activities. Apart from these factors, management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Results of Operations

The Company does not earn any significant revenue from operations. Interest is derived from the investment of funds for the period between the receipt of funds from equity placements and the disbursement of exploration expenditures. Other income is derived from charges for the use of Company facilities by third parties. Interest and other income was \$31,748 for the three months ended January 31, 2008 (\$62,061 in the three months ended January 31, 2007).

Net loss for the three months ended January 31, 2008 was \$201,808 compared to net income of \$626,639 for the three months ended January 31, 2007.

In accordance with generally accepted accounting principles, some significantly large, non-cash, income and expense items are recorded through the Company's financial statements. Net loss for the three months ended January 31, 2008 included a non-cash recovery of future income taxes of \$53,700 arising from the renunciation of resource expenditures in favour of flow-through share investors derived from the flow-through placement with directors, officers, employees and other service providers completed in December 2007. Deferred income tax recoveries for the three months ended January 31, 2007 were \$768,600, which included the private flow-through

placement with Goldcorp, completed in June of 2006 and the flow-through placement with directors, officers, employees and other service providers completed in December 2006. Under the accounting standard regarding the income component of flow-through shares introduced in March 2004, a part of the equity raised from flow-through shares is apportioned to current income based on an estimate of the value of future income tax recoveries otherwise available to the Company that are being transferred to the shareholder.

Operating expenses for the three months ended January 31, 2008 also included a non-cash expenditure of \$40,200, (\$46,850 in 2007) being the Black-Scholes value of the stock options issued as director, officer and employee compensation.

For a description of the proposed future activities of the Company, see "Future Outlook" below.

Summary of Quarterly Information

	Quarter ended 01/31/2008	Quarter ended 10/31/2007	Quarter ended 07/31/2007	Quarter ended 04/30/2007
Interest / other Income	\$ 31,748	\$ 52,452	\$ 12,702	\$ 72,167
Net Income (loss)	\$ (201,808)	\$ (109,326)	\$ (420,892)	\$ (193,979)
Per share basic	\$(0.0015)	\$(0.0019)	\$(0.0063)	\$(0.0029)
Per share diluted	\$(0.0015)	\$(0.0019)	\$(0.0063)	\$(0.0029)
	Quarter ended 01/31/2007	Quarter ended 10/31/2006	Quarter ended 07/31/2006	Quarter ended 04/30/2006
Interest / other Income	\$ 62,061	\$ 93,911	\$ 71,835	\$ 49,989
Net Income (loss)	\$ 626,639	\$(1,355,454)	\$1,165,049	\$(119,508)
Per share basic	\$0.0106	\$(0.0229)	\$0.0200	\$(0.0020)
Per share diluted	\$0.0089	\$(0.0229)	\$0.0164	\$(0.0020)

Risks and Uncertainties

Exploration and Development Risks

The business of exploration for minerals involves a high degree of risk. Major expenses may be required to establish ore resources and reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that current exploration programs will result in profitable mining operations.

Financing Risks

The Company has limited financial resources, has no operating cash flow and has no assurance that sufficient funding will be available to it for future exploration and development of its projects or to fulfill its obligations under any applicable agreements. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of its projects with the possible forced sale or loss of such properties. The Company will require additional financing for ongoing exploration of its properties.

Deferred Mining Property Costs and Exploration Expenditures

The cost of exploration and development is recorded on a property-by-property basis and deferred in the Company's accounts, pending recovery based on the discovery and/or extraction of economically recoverable reserves. When it is determined that there is little prospect of minerals being economically extracted from a property, the deferred costs associated with that property are charged to operations. The Company has adopted a policy whereby the deferred exploration expenditures on a given property shall be reduced as the banked provincial assessment credit of the property declines. The determination of property write-downs, if required, is usually performed at the fiscal year-end.

There have been no write-downs of deferred exploration expenditures since the fiscal year ended October 31, 2006 as the government resource tax credits and mining duty rebates were sufficient to cover any reductions in the banked provincial assessment credits.

The Company's activities involve the exploration and development of gold and base metals on its properties in Ontario, Québec and New Brunswick. Gross exploration expenditures are as follows:

Project Expenditures by Quarter (in thousands of dollars)								
Project	Quarter ended 01/31/2008		Quarter ended 10/31/2007		Quarter ended 07/31/2007		Quarter ended 04/30/2007	
	\$	%	\$	%	\$	%	\$	%
Clearwater	568	71	251	17	58	3	40	1
Eastmain Mine	6	1	(36)	(2)	826	48	3,531	89
Éléonore South	186	23	1,150	78	778	45	203	5
Xstrata JV	12	1	34	2	14	1	76	2
Azimut C & D	5	1	23	2	9	1	63	2
Ruby Hill	6	1	3	0	2	0	28	1
Other	15	2	48	3	40	2	38	1
	798	100	1,473	100	1,727	100	3,979	100

Project Expenditures by Quarter (in thousands of dollars)								
Project	Quarter ended 01/31/2007		Quarter ended 10/31/2006		Quarter ended 07/31/2006		Quarter ended 04/30/2006	
	\$	%	\$	%	\$	%	\$	%
Clearwater	51	6	162	7	401	36	498	65
Eastmain Mine	0	0	0	0	0	0	0	0
Éléonore South	570	71	1,126	48	371	34	0	0
Xstrata JV	31	4	8	0	20	2	31	49
Azimut C & D	7	1	116	5	236	21	73	10
Ruby Hill	10	1	0	0	12	1	95	13
Other	135	17	928	40	67	6	66	8
	804	100	2,340	100	1,107	100	763	100

Liquidity and Capital Resources

During the first quarter ended January 31, 2008, the Company received proceeds of \$3.1 million from the exercise of common share purchase warrants, (the Company received \$0.5 million from the exercise of common share purchase warrants in the first quarter ended January 31, 2007). During this same period the Company invested \$0.8 million in acquisition and exploration of mineral resource properties (\$0.8 million in the first quarter ended January 31, 2007). As at January 31, 2008 cash and cash equivalents, marketable securities, prepaid expenses and sundry receivables on hand totalled \$6.3 million (\$4.3 million in as at October 31, 2007). Current liabilities are \$0.6 million (\$0.8 million as at October 31, 2007) and the Company has no long-term debt. Accordingly, as the Company's base operating costs are approximately \$50,000 per month, and as all exploration expenditures to be made by the Company are discretionary, management believes the Company has sufficient working capital to fund the ongoing overheads and cost of its exploration activities for the foreseeable future.

During the first quarter, directors, officers, employees and other service providers of the Company undertook a private placement financing. The December 2007 private placement issue of 150,000 flow-through common shares at \$1.00 raised net proceeds of \$145,750. Other placements may be contemplated if market conditions are appropriate.

The properties held by the Company are not income generating. The Company is still reliant on equity markets over the long term to raise capital to fund its other exploration activities. In the past, the Company has been successful in raising funds through equity offerings, and while there is no guarantee that this will continue, there is no reason either to believe that this capacity will diminish.

Cash-on-hand for future exploration costs, is invested in term deposits, bonds and certificates of deposit with maturities matching the Company's cash-flow requirements which, in management's opinion, yield the greatest return with the least risk. The Company's policy is to maintain its investment portfolio in very low-risk liquid securities, which are selected and managed under advice from independent professional advisors. Shares in other companies acquired as a result of property transactions may also be held from time-to-time on an available-for-sale basis.

The Company does not hold any Asset Backed Commercial Paper (ABCP).

Marketable securities are subject to changes in valuation depending on market fluctuations. Under current reporting requirements for corporations with year-ends after October 1, 2006, financial assets designated as available-for-sale must be recorded at fair market values. Unrealized gains or losses arising from the valuation of these financial assets are reported in the balance sheet as "Other comprehensive income (loss)". Realized gains and losses are transferred to the statement of operations. The Company adopted this accounting standard on a prospective basis as of November 1, 2006 and has classified all of its marketable securities as available-for-sale. As a result of fair-market valuations for the period ending January 31, 2008, the carrying value of the Company's investments in Western Uranium Corporation and Dianor Resources Inc. has increased by \$473,536 over cost, while investments in bonds have increased by \$3,569. The after tax adjustment to fair market values of marketable securities resulted in an unrealized loss for the quarter ended January 31, 2008 of \$11,811 and an unrealized gain of \$528,140 for the quarter ended January 31, 2007.

For tax year-ends after December 31, 2005, non-capital losses can be carried forward and used to offset future gains for a period of twenty years, after which they expire. (Ten years for losses in tax years ending prior to December 31, 2005 and seven years for losses in tax years ending prior to March 22, 2004). To the extent that loss carry-forwards could be used to reduce future tax liabilities, they are a financial resource that can be managed. The Company, by its mineral exploration nature, generates non-capital tax losses which are not recognized on the income statement because, at this point in time, it is not certain that they will be used to offset tax liabilities within their carry-forward life. Canadian tax legislation allows an enterprise to issue securities to investors, whereby the deductions for tax purposes relating to resource expenditures may be claimed by the investors and not by the enterprise. These securities are referred to as flow-through shares. Under recommendation number 146 issued by the Emerging Issues Committee (EIC-146) regarding generally accepted accounting principles (GAAP) for the accounting treatment of flow-through shares, the issuer recognizes part of the proceeds from the sale of flow-through shares as tax credits associated with the expenditures being transferred to the shareholders, records this amount as a future income tax liability and the rest of the net proceeds as shareholders' equity. As a result, the Company has recorded a future income tax recovery of \$53,700 in the quarter ended January 31, 2008 in connection with the December 2007 issue of flow-through shares and \$768,600 in the quarter ended January 31, 2007 in connection with the December 2006 renunciation of expenditures associated with the issue of flow-through shares in 2006.

During the quarter ended January 31, 2008, 4,683,000 common share purchase warrants were exercised at \$0.65 (523,215 share purchase warrants were exercised in the quarter ended January 31, 2007 at \$0.65); 25,000 share purchase warrants with an exercise price of \$0.65 expired without being exercised (510,791 share purchase warrants expired without being exercised in the quarter ended January 31, 2007). No common share purchase warrants were issued in either the first quarter ended January 31, 2008 or 2007. As at January 31, 2008, 1,000,000 share purchase warrants were outstanding with an average exercise price of \$1.25. In February 2008, 500,000 of these common share purchase warrants with an exercise price of \$1.00 expired without being exercised. 6,708,000 share purchase warrants remained outstanding at January 31, 2007.

For the quarter ended January 31, 2008, 100,000 common share stock options were issued as director, officer and employee compensation; no options were exercised or cancelled. For the quarter ended January 31, 2007, 150,000 stock options were issued as director, officer and employee compensation; no options were exercised; and none expired without being exercised. As at January 31, 2008, 4,600,000 options were outstanding with an average exercise price of \$0.65, which if exercised, would result in proceeds of \$2,975,250 to the Company (3,675,000 options were outstanding with an average exercise price of \$0.76 at January 31, 2007).

As at January 31, 2008, the Company has an estimated \$1,860,000 in resource credits receivable from the Province of Québec for expenditures incurred between November 1, 2005 and October 31, 2007. Québec resource credits are refunds from the government that are paid to companies exploring for precious metals in Québec, subject to verification and adjustment of eligible project expenditures by the Québec Ministry of Natural Resources. Since no confirmation of the amount outstanding of the Company's refund has, as yet, been received, the estimated refund outstanding has not been recorded in the Company's financial statements.

Transactions with Related Parties

Related party transactions include \$13,333 per month salary and \$1,000 premises rent paid to the President of the Company. Consulting fees of \$450 per day are paid to a service provider of the Company.

Share Capital

The authorized capital of the Company consists of an unlimited number of common shares of which, as of March 11, 2008 there are 73,282,418 common shares outstanding. In addition, as of March 11, 2008, 4,550,000 share purchase options and 500,000 share purchase warrants are outstanding.

Critical Accounting Estimates

Critical accounting estimates used in the preparation of the financial statements include the Company's estimate of recoverable value of its mineral properties, related deferred exploration expenditures and stock-based compensation. These critical accounting estimates significantly affect the values attributed to the following line items in the Company's financial statements: mining properties and deferred exploration expenditures; total assets; shareholders' equity; stock-based compensation; total expenses; loss for the period before extraordinary items; net loss; deficit; and basic and diluted loss per share.

These estimates involve considerable judgment and are, or could be, affected by factors that are out of the Company's control. Factors affecting stock-based compensation include estimates of when stock options and compensation warrants might be exercised and stock-price volatility. The timing for exercise of options is out of the Company's control and will depend upon the market value of the Company's shares and the financial objectives of the holders of the options. The Company has used historical data to determine volatility in accordance with the Black-Scholes model, however future volatility is uncertain and the model has its limitations. These estimates can have a material impact on the stock-based compensation and hence results of operations. The Company's recorded value of its mineral properties and associated deferred exploration expenses is based on historical costs that may be recovered in the future. The Company's recoverability evaluation is based on market conditions for minerals, underlying mineral resources associated with its properties and future costs that may be required for ultimate realization through mining operations or by sale. The Company operates in an industry that is exposed to a number of risks and uncertainties, including exploration risk, development risk, commodity-price risk, operating risk, ownership and political risk and currency risk, as well as environmental risk. The ability of the Company to obtain necessary financing to complete the development of its properties and obtain future profitable production is uncertain.

Change in Accounting Policy

There have been no changes in accounting policy since the year ended October 31, 2007.

November 1, 2006 the Company adopted CICA Handbook Section 3855 "Financial Instruments – Recognition and Measurement" which has become a standard reporting requirement for all publicly traded companies with year-ends after October 1, 2006.

The Company also adopted the recommendations of Section 3865 on hedges, even though the Company does not engage in any hedging activities.

Use of Financial Instruments

The Company has not entered into any specialized financial agreements to minimize its investment risk, currency risk or commodity risk. There are no off-balance-sheet arrangements and the Company does not hold any asset backed commercial paper. The principal financial instruments affecting the Company's financial condition and results of operations currently are its cash and marketable securities portfolio. To minimize risk, the funds are managed by independent financial advisors with ultimate administration by the Company. All of the Company's investment portfolio has been designated as available-for-sale and is recorded at fair market value in accordance with CICA Handbook Section 3855.

Future Outlook

The Company is focusing its efforts on exploring for gold and base metal deposits in Eastern Canada, with an emphasis on the Eastmain/Éléonore region of Northern Québec, where sedimentary-hosted gold deposits, like Roberto, have multi-million-ounce size potential. Through the use of mechanical stripping and trenching, the

Company discovered a new gold zone, referred to as the JT discovery, at the Éléonore South property. This sedimentary gold zone confirms that the 10-kilometre-long metallic anomaly, detected in overlying soils across the property, has at least one in-situ bedrock source. A first-phase diamond drill program funded by Goldcorp and managed by the Company will test the gold-bearing JT discovery area and other high priority area targets which could not be trenched.

An advanced definition diamond drill program was completed in December 2007 to test the open pit potential of the Eau Claire deposit. This drill program was designed to outline vein geometry and gold grade within a proposed open pit area, and to provide sufficient ore and wall rock material for metallurgical testing. Six tonnes of large diameter HQ core is being processed at SGS Minerals Lakefield Research facility with the objective of designing an optimum processing flow-sheet for the gold ore at Eau Claire. Testing will determine if ore from Eau Claire can be processed at Goldcorp's future local mill site. Initial assay results are expected during the second quarter.

A first-phase diamond drill program is planned for the Eastmain Mine and Ruby Hill properties beginning in June 2008. This program will test for both the contact mine horizon and hangingwall ore types regionally, lateral to the gold deposit and at depth below the measured and indicated gold resource.

Detailed airborne surveys completed on the Xstrata MegaTEM JV in Ontario during 2007 have generated a number of drill targets. Eastmain proposes to drill these targets during the 2008 field season once a drill can be secured.

Exploration and development expenditures for fiscal 2008 are forecast to be approximately \$0.3 million for Ontario and \$3.7 million for Québec.

The Corporation has significant positive leverage to the price of gold through its in-situ resource ounces.

Subsequent events

a) 500,000 common share purchase warrants expired.

b) Les Mines Opinaca Ltée., ("Opinaca") a wholly owned subsidiary of Goldcorp Inc. has exercised its option to increase its interest in the Éléonore South joint venture by 6.67% to 40%. To earn the additional interest, Opinaca must prepare and deliver a bankable feasibility. If Opinaca completes its earn-in obligations, the project ownership will be Opinaca 40%, Eastmain 30% and Azimut Exploration Inc. 30%.

Opinaca will retain Eastmain as project manager for a management fee based on a percentage of exploration costs. Opinaca holds the right to take over as project manager if it so chooses

Scientific and Technical Disclosure

All disclosure of a scientific or technical nature herein concerning the Clearwater Project is based upon the technical report entitled "Clearwater Project (1170) – Report on the 2004 Exploration Activities for Eastmain Resources Inc." dated December 30, 2005, which was prepared by E. Canova and M.J. Perkins (the "Clearwater Report"). E. Canova is a "qualified person" within the meaning of National Instrument 43-101 of the Canadian Securities Administrators and has verified the data underlying the statements contained herein concerning the Clearwater Project. Further information concerning the Clearwater Project is contained in the Clearwater Report available at www.sedar.com.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide assurance that all relevant information is gathered and reported to senior management, which includes the Company's President and Chief Executive Officer, Chief Financial Officer and the Corporate Secretary on a timely basis so that appropriate decisions can be made regarding public disclosure. As of January 31, 2008, the company's certifying officers, being the President and Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures. Based on that evaluation, the certifying officers have concluded that, as of January 31, 2008, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Company's annual filings and interim filings (as such terms are defined in multilateral instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*) and reports filed or submitted under Canadian securities laws were recorded, processed, summarized and reported within the time periods specified by those laws. The certifying officers also concluded that material information was accumulated and communicated to management of the Company, including the President and Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding disclosure.

Internal Controls over Financial Reporting

The Company's President and Chief Executive Officer and the Chief Financial Officer are responsible for establishing and maintaining the Company's internal controls over financial reporting in accordance with Multilateral Instrument 52-109 of the Canadian Securities Administrators. These controls were reviewed as at January 31, 2008. There were no changes during the fiscal quarter ended January 31, 2008 which materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

Accounting Responsibilities, Procedures and Policies

The Board of Directors, which among other things is responsible for the financial statements of the Company, delegates to management the responsibility for the preparation of the financial statements. Responsibility for their review rests with the Audit Committee. Each year the shareholders appoint independent auditors to audit and report directly to them on the financial statements.

The Audit Committee is appointed by the Board of Directors and all of its members are non-management directors. The Audit Committee meets periodically with management and the external auditors to discuss internal controls, auditing matters and financial reporting issues and to confirm that all administrative duties and responsibilities are properly discharged. The Audit Committee also reviews the financial statements, management's discussion and analysis and considers the engagement or reappointment of external auditors. The Audit Committee reports its findings to the Board of Directors for its consideration when approving the financial statements for issuance to the shareholders. The external auditors have full and free access to the Audit Committee.

The accounting systems employed by the Company include appropriate controls, checks and balances to provide reasonable assurance that the Company's assets are safeguarded from loss or unauthorized use as well as facilitating the preparation of comprehensive, timely and accurate financial information. There are limits inherent in all systems based on the recognition that the cost of such systems should not exceed the benefits to be derived. Given the small size of the Company, a true segregation of duties is impossible to achieve. The Company believes that its policies and procedures provide the best controls achievable under the constraints described above.

Critical Accounting Estimates

In preparing the financial statements, great care is taken to use appropriate generally accepted accounting principles and estimates, considered necessary by management, to present the financial position and results of operations on a fair and consistent basis. The principal accounting policies followed by the Company are summarized in Note 2 to the Company's audited financial statements.

Additional Information

Additional information relating to the Company, including any published Annual Information Forms, can be found on SEDAR at www.sedar.com.

NOTICE TO SHAREHOLDERS FOR THE THREE MONTHS ENDED JANUARY 31, 2008 EASTMAIN RESOURCES INC.

Responsibility for Financial Statements:

The accompanying financial statements for Eastmain Resources Inc. have been prepared by management in accordance with Canadian generally accepted accounting principles. The most significant of these accounting principles were set out in the October 31, 2007 audited financial statements. Only changes in accounting information have been discussed in the current financial statements. These statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependant upon future events. Therefore, using careful judgment, estimates and approximations have been made. 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.

Auditors' involvement

The auditors of Eastmain Resources Inc. have not performed a review of the unaudited financial statements for the three months ended January 31, 2008 and January 31, 2007.

EASTMAIN RESOURCES INC.
CONSOLIDATED BALANCE SHEETS
(PREPARED BY MANAGEMENT – UNAUDITED)

	January 31, 2008	October 31, 2007
Assets		
Current assets		
Cash and cash equivalents	\$ 2,606,753	\$ 414,373
Marketable securities (Note 2)	3,529,351	3,547,508
Prepaid and sundry receivables (Note 4b)	139,506	331,191
	<u>6,275,610</u>	<u>4,293,072</u>
Equipment (Note 3)	116,699	100,092
Mining properties and deferred exploration expenditures (Note 4)	23,826,918	23,028,531
	<u>\$ 30,219,277</u>	<u>\$ 27,421,695</u>
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 586,591	\$ 751,640
Shareholders' equity		
Capital stock		
Authorized –		
Unlimited common shares		
Issued –		
Common shares (Note 5)	32,301,245	28,411,282
Warrants (Note 7)	32,500	790,488
Contributed Surplus (Note 8)	4,039,309	3,995,084
	<u>36,373,054</u>	<u>33,196,854</u>
Deficit	(7,217,523)	(7,015,715)
Accumulated other comprehensive income	477,105	488,916
	<u>29,632,636</u>	<u>26,670,055</u>
	<u>\$ 30,219,227</u>	<u>\$ 27,421,695</u>

The attached notes form an integral part of these financial statements.

EASTMAIN RESOURCES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(PREPARED BY MANAGEMENT – UNAUDITED)

	Three Months Ended January 31,	
	2008	2007
EXPENSES		
Amortization	\$ 9,388	\$ 6,695
General and administration	216,464	127,874
Professional fees	21,204	22,603
Stock option compensation (Note 6)	40,200	46,850
	<u>287,256</u>	<u>204,022</u>
Loss for the period before the following:	(287,256)	(204,022)
Interest and other income	31,748	62,061
Loss for the period before income taxes	(255,508)	(141,961)
Future income tax recovery (Note 5)	53,700	768,600
NET INCOME (LOSS) FOR THE PERIOD	(201,808)	626,639
DEFICIT, Beginning of period	(7,015,715)	(6,918,157)
DEFICIT, End of period	\$ (7,217,523)	\$ (6,291,518)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(PREPARED BY MANAGEMENT – UNAUDITED)

	Three Months ended January 31,	
	2008	2007
NET INCOME (LOSS) FOR THE PERIOD	\$ (201,808)	\$ 626,639
OTHER COMPREHENSIVE INCOME		
Unrealized gains (loss) on available-for-sale financial assets arising during the period net of income taxes and taxes recovered of \$3,111. (2007 - \$139,092)	(11,811)	528,140
COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	\$ (213,619)	\$ 1,154,799

The attached notes form an integral part of these financial statements.

EASTMAIN RESOURCES INC.

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

JANUARY 31, 2008

(PREPARED BY MANAGEMENT – UNAUDITED)

	Share Capital	Warrants	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total Shareholders' Equity
As at October 31, 2007(audited)	\$ 28,411,282	\$ 790,488	\$ 3,995,084	\$ 488,916	\$ (7,015,715)	\$ 26,670,055
Share capital issued	3,189,700	-	-	-	-	3,189,700
Flow-through tax effect	(53,700)	-	-	-	-	(53,700)
Warrants exercised	753,963	(753,963)	-	-	-	-
Warrants expired	-	(4,025)	4,025	-	-	-
Stock-based compensation	-	-	40,200	-	-	40,200
Unrealized loss on fair market valuation of available-for-sale financial assets	-	-	-	(11,811)	-	(11,811)
<u>Net loss for the period</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(201,808)</u>	<u>(207,808)</u>
As at January 31, 2008 (unaudited)	\$ 32,301,245	\$ 32,500	\$ 4,039,309	\$ 477,105	\$ (7,217,523)	\$ 29,632,636

The attached notes form an integral part of these financial statements.

EASTMAIN RESOURCES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(PREPARED BY MANAGEMENT – UNAUDITED)

	Three Months Ended January 31,	
	2008	2007
Cash Provided by (used in)		
OPERATING ACTIVITIES		
Income (loss) for the period	\$ (201,808)	\$ 626,639
Adjustments not affecting cash:		
Amortization	9,388	6,695
Future income tax recovery	(53,700)	(768,600)
Stock option compensation (Note 6)	40,200	46,850
Change in non-cash working capital items	26,636	(557,622)
	(179,284)	(646,038)
FINANCING ACTIVITIES		
Issue of common shares, net of costs	3,189,700	466,589
	3,189,700	466,589
INVESTING ACTIVITIES		
Mining properties and deferred exploration expenditures	(798,387)	(804,293)
Purchase of equipment	(25,995)	-
Purchase of marketable securities	-	(1,556,894)
Net proceeds and redemptions from the sale of marketable securities	6,346	1,538,557
	(818,036)	(822,630)
Change in cash and cash equivalents	2,192,380	(1,002,079)
Cash and cash equivalents, beginning of period	414,373	4,003,148
Cash and cash equivalents, end of period	\$ 2,606,753	\$ 3,001,069

The attached notes form an integral part of these financial statements.

EASTMAIN RESOURCES INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(PREPARED BY MANAGEMENT – UNAUDITED)
Three Months Ended January 31, 2008

1. THE COMPANY

Eastmain Resources Inc. (the "Company") and its wholly owned subsidiary, Eastmain Mines Inc. are engaged in the mining, exploration and development of resource properties. The Company is a publicly held company incorporated under the Business Corporations Act (Ontario) and its common shares are listed on the Toronto Stock Exchange.

The Company is in the exploration stage of operations.

Exploration expenditures relating to mining properties in which an interest is retained are deferred. It is the intention that the acquisition costs and related deferred exploration expenditures would be amortized against net earnings from future mining operations. The recovery of amounts shown for mining properties and deferred exploration costs is dependent on the existence of economically recoverable reserves. The Company is dependent on share issuances to obtain the necessary financing to complete the development of its business interests and upon future profitable mining operations or proceeds from the disposition of these properties.

The Company's principal assets are the properties as listed in Note 4.

2. FINANCIAL INSTRUMENTS

	Assets (Liabilities)	
	Carried at cost	Carried at fair market value
Cash and cash equivalents	\$ 2,549,355	\$ 57,398
Marketable securities	-	3,529,351
Prepaid expenses and sundry receivables	139,506	-
Accounts payable and accrued liabilities	(592,591)	-

Cash and cash equivalents consist of bank cash balances denominated in both Canadian and United States dollars and Canadian dollar denominated money market mutual funds. Marketable securities consist of T-bills, fixed-term government and corporate bonds and shares in publicly traded companies.

The Company does not engage in hedging activities nor does it hold or issue any derivative financial instruments.

3. EQUIPMENT

The equipment is recorded at cost and is comprised as follows:

	Cost	Accumulated Amortization	Net Book Value January 31, 2008	Net Book Value October 31, 2007
Computer equipment	\$ 30,981	\$ 20,882	\$ 10,099	\$ 10,918
Field equipment	242,608	136,008	106,600	89,174
	\$ 273,589	\$ 156,890	\$ 116,699	\$ 100,092

EASTMAIN RESOURCES INC.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(PREPARED BY MANAGEMENT – UNAUDITED)

Three Months Ended January 31, 2008

4. MINING PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

- a) The mining properties and deferred exploration expenditures are recorded at cost and are comprised as follows:

Project	Balance October 31, 2007	Net Expenditures	Government Grants	Write Down & Recoveries	Balance January 31, 2008
Clearwater	\$ 6,159,422	\$ 568,353	\$ -	\$ -	\$ 6,727,775
Eastmain Mine	4,306,836	6,057	-	-	4,312,893
Éléonore South	3,697,154	186,378	-	-	3,883,532
Xstrata JV	3,537,409	12,386	-	-	3,549,795
Azimut Block C	660,083	-	-	-	660,083
Azimut Block D	834,726	4,971	-	-	839,697
Ruby Hill	579,359	5,746	-	-	585,105
Other - Québec	2,341,742	14,460	-	-	2,356,202
- New Brunswick	887,912	8	-	-	887,920
- Ontario	23,888	28	-	-	23,916
	\$ 23,028,531	\$ 798,387	\$ -	\$ -	\$ 23,826,918

The following is a breakdown of mining properties and deferred expenditures by expenditure type for the Company's significant projects for the three months ended January 31, 2008.

Project	Balance Oct. 31, 2007	Drilling & Assays	Technical Surveys	Project Acquisition	Grants & Write Downs	Total	Balance Jan. 31, 2008
Clearwater	\$ 6,159,422	\$ 549,911	\$ 18,442	\$ -	\$ -	\$ 568,353	\$ 6,727,775
Eastmain Mine	4,306,836	-	6,057	-	-	6,057	4,312,893
Éléonore South	3,697,154	55,584	34,722	96,072	-	186,378	3,883,532
Xstrata JV	3,537,409	-	12,386	-	-	12,386	3,549,795
Azimut Block C	660,083	-	-	-	-	-	660,083
Azimut Block D	834,726	1,284	2,562	1,125	-	4,971	839,697
Ruby Hill	579,359	-	3,430	2,316	-	5,746	585,105
Other - Québec	2,341,742	6,150	8,290	20	-	14,458	2,356,202
- NB	887,912	-	-	8	-	8	887,920
- Ontario	23,888	-	-	28	-	28	23,916
Total	\$ 23,028,531	\$ 612,929	\$ 85,889	\$ 99,569	\$ -	\$ 798,387	\$ 23,826,918

- b) The Company has outstanding refundable mining duties and tax credits from Resources Québec and Revenue Québec in respect to claims filed up to its fiscal year ended October 31, 2007 amounting to approximately \$1,800,000. As the Company has not received confirmation of these refunds, these amounts have not been reflected in these financial statements.

EASTMAIN RESOURCES INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(PREPARED BY MANAGEMENT – UNAUDITED)
Three Months Ended January 31, 2008

5. CAPITAL STOCK

	Shares	Amount
Issued and outstanding, October 31, 2007 (audited)	68,399,418	\$ 28,411,282
Private placement (i)	150,000	150,000
Cost of issue (i)		(4,250)
Exercise of warrants (ii)	4,683,000	3,043,950
Exercise of warrants - Black-Scholes valuation (ii)		753,963
Flow-through tax effect (iii)		(53,700)
Issued and outstanding, January 31, 2008 (unaudited)	73,232,418	\$ 31,301,245

- i) In December 2007, the Company issued 150,000 flow-through shares in a private placement to directors, officers, employees and other service providers at \$1.00 per share for gross proceeds of \$150,000. Issue costs in connection with the private placement are estimated at \$4,250.
- ii) 4,683,000 share purchase warrants were exercised at \$0.65 in the quarter ended January 31, 2008. The Black-Scholes value associated with the issue of these warrants was \$753,963.
- iii) On the date that the Company renounces the tax credits associated with expenditures from flow-through proceeds, the Company recognizes the future tax liability and reduces shareholders' equity accordingly. The Company then offsets the future income tax liability against unrecognized future income tax assets if certain criteria are met. As a result, the Company has recorded a \$53,700 future income tax recovery for the period ended January 31, 2008, (\$768,600 during the three months ended January 31, 2007).

6. STOCK OPTIONS

The Company has a stock option plan available to directors, officers, employees and other service providers of the Company. Under the plan, the Company may issue options, up to a maximum of 10% of the common shares outstanding, at prices not less than the closing market price of the common shares on the day preceding the date of the grant. The number of common shares reserved for issuance to any one person may not exceed 5% of the issued and outstanding common shares at the date of such grant

For purposes of the options granted, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model, using the following assumptions:

Dividend yield	0
Expected volatility	55.80%
Risk free interest rate	3.23%
Expected option term - years	5

	Number of Options	Weighted Average Exercise Price
Outstanding, October 31, 2007 (audited)	4,500,000	\$ 0.64
Granted	100,000	\$ 0.79
Outstanding, January 31, 2008 (unaudited)	4,600,000	\$ 0.65

EASTMAIN RESOURCES INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(PREPARED BY MANAGEMENT – UNAUDITED)
Three Months Ended January 31, 2008

6. STOCK OPTIONS (continued)

Stock options outstanding as at January 31, 2008

Expiry date	Black-Scholes Value (\$)	Number of Options	Exercise Price (\$)
July 2008	26,000	100,000	0.70
October 2008	136,825	325,000	0.55
November 2008	21,400	100,000	0.65
January 2009	67,300	100,000	0.88
November 2009	340,500	750,000	0.64
February 2010	30,500	100,000	0.48
April 2010	198,250	650,000	0.43
June 2010	44,700	150,000	0.42
November 2010	57,400	200,000	0.52
January 2011	358,200	900,000	0.72
December 2011	18,150	50,000	0.75
April 2012	40,500	100,000	0.75
June 2012	312,375	975,000	0.78
January 2013	40,200	100,000	0.79
	1,692,300	4,600,000	0.65

7. WARRANTS

	Number of Warrants	Weighted Average Exercise Price
Outstanding, October 31, 2007 (audited)	5,708,000	\$ 0.76
Cancelled or expired	(25,000)	\$ 0.65
Exercised	(4,683,000)	\$ 0.65
Outstanding, January 31, 2008 (unaudited)	1,000,000	\$ 1.25

Warrants outstanding as at January 31, 2008

Expiry Date	Black-Scholes Value (\$)	Number of Warrants	Exercise Price (\$)
February 2008	29,500	500,000	1.00
July 2008	3,000	500,000	1.50
	32,500	1,000,000	1.25

8. SUPPLEMENTARY INFORMATION

During the three months ended January 31, 2008, 25,000 warrants expired. The value originally attributed to these warrants has been transferred to contributed surplus.

As at January 31, 2008 contributed surplus is comprised of the following:

Balance, October 31, 2007 (audited)	\$ 3,995,084
Options granted	40,200
Warrants expired	4,025
Balance, January 31, 2008 (unaudited)	\$ 4,039,309

EASTMAIN RESOURCES INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(PREPARED BY MANAGEMENT – UNAUDITED)
Three Months Ended January 31, 2008

9. RELATED PARTY TRANSACTIONS

Management wages to a director	\$ 40,000
Premises rent to a director	\$ 3,000
Geological and administrative fees and out of pocket expenditures to a private company controlled by the exploration manager of the Company	\$ 32,410

10. INCOME (LOSS) PER SHARE

The following table sets forth the computation of basic and diluted earnings per share:

	Three Months Ended January 31	
	2008	2007
Basic income (loss) per share	\$ 0.00	\$ 0.01
Diluted income (loss) per share	\$ 0.00	\$ 0.01
<u>Numerator:</u>		
Net income (loss) for the period	\$ (201,808)	\$ 626,639
<u>Denominator:</u>		
Weighted average of basic common shares	70,027,929	65,803,886
Weighted average of diluted common shares	70,027,929	75,945,881

For the three months ended January 31, 2008 diluted loss per share was calculated using the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding, used for the calculation of diluted loss per share, assumes that the proceeds to be received on the exercise of dilutive stock options and warrants are used to repurchase common shares at the average market price during the period. For the period, this calculation proved to be anti-dilutive. For the three months ended January 31, 2007, 1,000,000 share purchase warrants and 100,000 options were excluded from the calculation of diluted earnings because the exercise prices exceed the fair market value of the common shares for the period.

11. RECLASSIFICATION

Certain comparative figures have been reclassified to conform to the presentation adopted in the current fiscal year.

12. SUBSEQUENT EVENTS

a) In February 2008, 500,000 warrants expired.

b) Les Mines Opinaca Ltée., (“Opinaca”) a wholly owned subsidiary of Goldcorp Inc. has exercised its option to increase its interest in the Éléonore South joint venture by 6.67% to 40%. To earn the additional interest, Opinaca must prepare and deliver a bankable feasibility. If Opinaca completes the earn-in obligations, the project ownership will be Opinaca 40%, Eastmain 30% and Azimut Exploration Inc. 30%.

Opinaca will retain Eastmain as project manager for a management fee based on a percentage of exploration costs. Opinaca holds the right to take over as project manager if it so chooses.

CORPORATE INFORMATION

MANAGEMENT AND DIRECTORS

Donald J. Robinson, Ph.D., P. Geo
President, CEO, Director

James L. Bezeau, BBA, CMA,
Chief Financial Officer

Catherine I. Butella, B.Sc.
Exploration Manager

Jay Goldman, BA, MBA, LLB
Corporate Secretary

Ian J. Bryans, B.A.*
Director

John A. Hansuld, Ph.D.*
Director

Richard W. Hutchinson, Ph.D.
Director

William L. Koyle *
Director

Neil Hillhouse, Ph.D.
Special Advisor

Jacques Bonneau, P. Eng., M.Sc.
Special Advisor

Dr. Ted Moses, (former Grand Cree Grand Chief)
Special Advisor

Chad Steward
Manager Communications

* Member of Audit Committee

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Toronto, Ontario, Canada, M5H 2V6

LEGAL COUNSEL

Cassels Brock & Blackwell LLP
40 King Street West, Suite 2100
Toronto, Ontario, Canada, M5H 3C2

TRANSFER AGENT

Equity Transfer Services Inc.
200 University Avenue, Suite 400
Toronto, Ontario, Canada M5H 4H1

SHARES LISTED

Symbol: ER
The Toronto Stock Exchange

SHARE STRUCTURE

Issued: 73,232,418
Options: 4,550,000 (\$2,947,750)
Warrants: 500,000 (\$750,000)

CORPORATE OFFICE

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EXPLORATION OFFICE

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