

AVION RESOURCES CORP.

(Formerly Argent Mining Corp.)

Interim Financial Statements
For the three and nine months ended
August 31, 2007 and August 31, 2006
(unaudited)

AVION RESOURCES CORP.

formerly Argent Mining Corp.
(A Development Stage Company)

Balance Sheets

As at

	August 31, 2007 (unaudited)	November 30, 2006 (audited)
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ASSETS		
Current		
Cash	\$ 62,655	\$ 49,331
Amounts receivable	4,227	1,534
	<hr/>	<hr/>
	66,882	50,865
Investments (Note 4)	140,001	140,001
Interest in mineral property (Note 5)	671,101	613,542
Reclamation bond	3,000	3,000
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	\$ 880,984	\$ 807,408
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LIABILITIES		
Current		
Accounts payables and accrued liabilities	\$ 73,659	\$ 108,072
Short term loans payable (Note 6)	200,000	
	<hr/>	<hr/>
	273,659	108,072
Commitments and contingencies (Note 12)		
SHAREHOLDERS' EQUITY		
Capital stock (Note 7)	8,707,526	8,779,090
Contributed surplus (Note 10)	339,800	339,800
Deficit	(8,440,001)	(8,419,554)
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	607,325	669,336
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	\$ 880,984	\$ 807,408
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Statements of Operations and Deficit

For the three and nine months ended August 31, 2007 and 2006

(Prepared by management - unaudited)

	Three months ended August 31,		Nine months ended August 31,	
	2007	2006	2007	2006
Expenses				
Consulting and management fees	30,400	7,338	58,600	32,733
Professional fees	6,179	-	20,843	16,049
Shareholder communications and investor relations	2,769	1,382	5,714	5,176
Transfer agent & filing fees	4,613	6,420	13,928	24,090
Office expenses	5,212	353	6,600	22,850
Travel expenses	2,600	-	3,369	-
Amortization	-	-	-	48
	51,773	15,493	109,054	100,946
(Loss) for the period before the following:	(51,773)	(15,493)	(109,054)	(100,946)
Interest earned	-	762	232	1,548
Interest expenses	-	(80)	-	(316)
Recovery of expenditures	-	-	16,811	-
Loss on disposal of capital assets	-	(272)	-	(272)
(Loss) before income taxes	(51,773)	(15,083)	(92,011)	(99,986)
Future income tax recovery (Note 12)	-	-	71,564	-
Net (loss) for the period	(51,773)	(15,083)	(20,447)	(99,986)
Deficit, beginning of period	\$ (8,388,228)	\$ (8,520,191)	\$ (8,419,554)	\$ (8,435,288)
Deficit, end of period	\$ (8,440,001)	\$ (8,535,274)	\$ (8,440,001)	\$ (8,535,274)
Basic and diluted net (loss) per share	\$ (0.01)	\$ (0.01)	\$ (0.00)	\$ (0.03)
Weighted average number of shares outstanding*				
-- basic and diluted	4,164,562	3,358,621	4,164,562	3,300,171

* prior year loss per share amounts and the weighted average number of shares reflect the 3:1 consolidation of shares.

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Statements of Cash Flows

For the three and nine months ended August 31, 2007 and 2006

(Prepared by management - unaudited)

	Three months ended August 31,		Nine months ended August 31,	
	2007	2006	2007	2006
Cash flows provided by (used in)				
Operating activities				
Net (loss) for the period	\$ (51,773)	\$ (15,083)	\$ (20,447)	\$ (99,986)
Changes not affecting cash:				
Amortization	-	-	-	48
Loss on disposal of capital assets	-	272	-	272
Future income tax recovery	-	-	(71,564)	-
Net change in non-cash working capital items	(36,349)	(76,640)	(37,106)	34,568
	(88,122)	(91,451)	(129,117)	(65,098)
Financing activities				
Subscriptions payable	-	(275,000)	-	-
Private placement	-	339,750	-	462,496
Share issuance cost	-	(17,500)	-	(19,250)
Increase/(decrease) in due to related parties	-	(75,540)	-	(16,794)
Short term loan	200,000	-	200,000	-
	200,000	(28,290)	200,000	426,452
Investing activities				
Proceeds from sale of assets	-	-	-	150,000
Short term investments	-	-	-	(140,000)
Interest in mineral property	(50,016)	(39,872)	(57,559)	(292,070)
	(50,016)	(39,872)	(57,559)	(282,070)
Change in cash	61,862	(159,613)	13,324	79,284
Cash, beginning of period	793	249,108	49,331	10,211
Cash, end of period	\$ 62,655	\$ 89,495	\$ 62,655	\$ 89,495
SUPPLEMENTARY INFORMATION:				
Income taxes paid	\$ -	\$ -	\$ -	\$ -

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Notes to the Financial Statements

For the Three and Nine Months Ended August 31, 2007 and 2006

(Prepared by management - unaudited),

1. NATURE OF OPERATIONS

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

Avion Resources Corp. (the "Company") is a development stage company and is primarily engaged in the acquisition, exploration and development of mineral properties located in Canada. During the current quarter, the Company changed its name from Argent Mining Corp. to Avion Resources Corp. and consolidated its outstanding common shares on the basis of three old shares for one new share. Also, during the previous fiscal year, the Company changed its name from Argent Resources Ltd. to Argent Mining Corp. and consolidated its outstanding common shares on the basis of three old shares for one new share. All common shares, options and warrants and per share amounts have been restated to give retroactive effect to the 3:1 consolidation that took place on June 21, 2007 and the share consolidation that took place on April 7, 2006.

The Company is in the process of exploring its resource properties and has not yet determined whether these properties contain resource reserves that are economically recoverable. The continued operations of the Company and the recoverability of the amounts shown for resource properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production.

The disclosure in these interim financial statements may not conform in all respects to generally accepted accounting principles in Canada for annual financial statements.

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. Operating results for the nine months ended August 31, 2007 are not indicative of the results that may be expected for the full year ending November 30, 2007.

2. CONTINUING OPERATIONS

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles applicable to a going concern which assume that the Company will realize its assets and discharge its liabilities in the normal course of operations rather than through a process of forced liquidation. Realization values may be substantially different from the carrying values as shown in the financial statements should the Company be unable to continue as a going concern.

The Company's ability to meet its obligations and maintain operations is contingent upon additional financing arrangements and the support of its creditors.

Funding for operations is obtained primarily through public and private share offerings. Future operations are dependent upon the Company's ability to finance expenditure requirements and upon the achievement of profitable operations. These financial statements do not include adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations.

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Notes to the Financial Statements

For the Three and Nine Months Ended August 31, 2007 and 2006

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3. SIGNIFICANT ACCOUNTING POLICIES

Except as disclosed below, these financial statements are prepared using the same accounting policies and methods of application as those disclosed in note 3 to the Company's Annual Financial Statements for the period ended November 30, 2006.

New accounting pronouncements:

On December 1, 2006, the Company adopted the Canadian Institute of Chartered Accountant ("CICA") Handbook Sections 1530, Comprehensive Income; Section 3251, Equity; Section 3855, Financial Instruments - Recognition and Measurement; Section 3861, Financial Instruments - Disclosure and Presentation; and Section 3865, Hedges.

(i) Financial Instruments

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

(ii) Comprehensive Income

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

(iii) Hedging

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

At August 31, 2007, there is no effect on the Company's Financial Statements of adopting these standards and therefore no Statement of Comprehensive Income has been included in these Financial Statements. See Note 4.

AVION RESOURCES CORP.

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Notes to the Financial Statements

For the Three and Nine Months Ended August 31, 2007 and 2006

(Prepared by management - unaudited).

4. INVESTMENTS

Investments are comprised of the following:

	August 31, 2007		November 30, 2006	
	<u>Cost</u>	<u>Estimated fair value</u>	<u>Cost</u>	<u>Estimated fair value</u>
Secureview Systems Inc. (2,000,000 shares)	\$1	\$1	\$1	\$1
Yellowhead Mining Inc. (100,000 shares)	140,000	140,000	140,000	140,000
	<u>\$140,001</u>	<u>\$140,001</u>	<u>\$140,001</u>	<u>\$140,001</u>

The Company owns 2,000,000 restricted common shares of Secureview Systems Inc. (now Global Immune Technologies Inc.). In a previous year, management of the Company wrote down the investment to a value of \$1 to reflect impairment in value. Currently, the shares of Global Immune Technologies Inc. trade over the counter with very little volume.

During the previous fiscal year, the Company received 100,000 common shares of Yellowhead Mining Inc. with a value of \$1.40 per share as part proceeds from the sale of its 100% interest in the Harper Creek claims. If after Yellowhead has become listed on a stock market, and the fair market value of the shares held by the Company are below \$140,000, then Yellowhead Mining will pay to the Company the difference in cash. Consequently, the fair value of this investment remains \$140,000 until such a listing occurs.

5. INTEREST IN MINERAL PROPERTIES

	Acquisition costs and option payments	Deferred exploration and development costs	2007 Total	2006 Total
Iron Lake Claims	\$ 166,083	\$ 505,018	\$ 671,101	\$ 613,542

The Company holds an option from Eastfield Resources Ltd. ("Eastfield") whereby the Company can earn a 55% interest in the Iron Lake Claims in British Columbia. The Company can earn this interest by:

- a) making \$105,000 in option payments by March 31, 2007, of which \$65,167 has been paid; Eastfield agreed to extend the option for a fee of \$5,000 during the previous quarter;
- b) issuing 140,000 common shares of the Company (shares were issued during the prior year with a total value of \$45,900);
- c) incurring exploration expenditures totalling \$1,250,000 as follows:
 - i. \$600,000 (incurred), per amended agreement, the optionor credited the Company for \$600,000 in exploration costs even though only \$502,475 was incurred;
 - ii. \$200,000 on or before July 31, 2007 (amended see below); and
 - iii. \$450,000 on or before July 31, 2008 (amended see below).

In August 2007, the option agreement was amended. The Company agreed to provide a \$50,000 option payment on or before August 31, 2007 and Eastfield agreed to subscribe for units totalling \$25,000 in the Company's upcoming private placement (see Subsequent Events section). The Company made a payment of \$25,000 during August 2007, and the balance will be offset against the subscription agreement as agreed upon by both parties. A further payment of \$25,000 is due on or before December 31, 2007.

As well, the expenditures required to earn 55% have been amended such that the Company is required to incur \$250,000 in exploration expenditures on the Iron Lake Claims on or before December 31, 2007, or deliver to Eastfield

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Notes to the Financial Statements

For the Three and Nine Months Ended August 31, 2007 and 2006

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5. INTEREST IN MINERAL PROPERTIES (Continued)

\$250,000 as an advance against further exploration and incur a further \$450,000 in exploration expenditures on or before July 31, 2008, or \$450,000 can be advanced in cash to Eastfield on or before May 31, 2008 as an advance against further exploration.

6. SHORT TERM LOANS

During the quarter, a new director of the Company and an individual related to a new director of the Company advanced \$200,000 in short term, non-interest bearing loans which will be repaid upon completion of the upcoming private placement.

7. CAPITAL STOCK

- a) Authorized - unlimited number of common shares
- b) Issued

Common shares	Number of Shares	Amount
Balance, November 30, 2005	3,085,852	\$ 8,452,047
Private placement - flow through	250,000	112,500
Private placement - non flow through	22,769	10,246
Private placement - flow through	404,040	200,000
Private placement - non flow through	310,555	139,750
Shares for debt	71,346	35,316
Shares issued for property acquisition	20,000	9,300
Flow through share tax effect	-	(160,819)
Cost of issue	-	(19,250)
Balance, November 30, 2006	4,164,562	8,779,090
Flow through share tax effect	-	(71,654)
Balance, August 31, 2007	4,164,562	\$ 8,707,526

On June 21, 2007, the Company consolidated its shares on a 3 for 1 basis. All common shares, options and warrants and per share amounts have been restated to give retroactive effect to the 3:1 consolidation that took place on June 21, 2007 and a share consolidation that took place on April 7, 2006.

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8. WARRANTS

	August 31, 2007		November 30, 2006	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Balance, beginning of period	1,047,152	\$ 0.90	709,269	\$ 1.38
Granted, private placements	-	-	660,345	0.63
Exercised	-	-	-	-
Expired or cancelled	(534,577)	1.23	(322,462)	1.95
Balance, end of period	512,575	0.57	1,047,152	0.90

All common shares, options and warrants and per share amounts have been restated to give retroactive effect to the 3:1 consolidation that took place on June 21, 2007 and a share consolidation that took place on April 7, 2006.

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

Expiry Date	Exercise Price	Warrants Outstanding
June 20, 2008	0.63	202,020
July 25, 2008	0.525	310,555
		512,575

9. STOCK OPTIONS

	August 31 2007		November 30, 2006	
	Number of stock options	Weighted average exercise price	Number of stock options	Weighted average exercise price
Balance, beginning of period	40,555	\$ 1.35	242,222	\$ 1.08
Granted	-	-	-	-
Exercised	-	-	-	-
Cancelled/Expired	(40,555)	1.35	(201,667)	1.35
Balance, end of period	-	\$ -	40,555	\$ 1.35

All common shares, options and warrants and per share amounts have been restated to give retroactive effect to the 3:1 consolidation that took place on June 21, 2007 and a share consolidation that took place on April 7, 2006.

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10. CONTRIBUTED SURPLUS

	August 31, 2007	November 30, 2006
Balance, beginning of period	\$ 339,800	\$ 339,800
Stock options granted and/or vested during the period	-	-
Balance, end of period	\$ 339,800	\$ 339,800

11. RELATED PARTY TRANSACTIONS

The Company was charged \$20,500 for the nine months ended August 31, 2007 (2006: \$29,733) for administrative and consulting fees by directors or by companies controlled by directors of the Company. During the comparative quarter, the Company was charged \$62,985 for deferred exploration costs by a company controlled by a former director of the Company.

Also during the current quarter, the Company was advanced \$200,000 by a new director of the Company and an individual related to a new director of the Company as short term, non interest bearing loans until the private placement financing could be completed (Note 6).

All of the above transactions are in the normal course of operations and are measured at the exchange amount established and agreed to by the related parties.

12. COMMITMENTS

The Company entered into flow-through share subscription agreements during the previous fiscal year whereby it is committed to incur on or before December 31, 2007 a total of \$198,788 of qualifying Canadian Exploration Expenses as described in the Income Tax Act of Canada. These flow through shares were renounced on March 1, 2007 which generated a future income tax recovery of \$71,564. As at the end of the period, \$61,347 has been incurred, leaving a balance of \$137,441 to be incurred on or before December 31, 2007.

13. SUBSEQUENT EVENTS

In October 2007, the Company completed a private placement financing raising total gross proceeds of \$2,200,000 through the issuance of 10,000,000 units of the Company at a price of \$0.22 per unit. Each unit comprises one common share and one common share purchase warrant. Each purchase warrant entitles the holder to acquire one common share of the Company at a price of \$0.29 per share until October 12, 2009. Each of the common shares, warrants and shares issued on the exercise of warrants will be subject to a hold period that expires February 13, 2007. In connection with this financing, the Company paid various finders fees of up to 5% of the amounts raised.

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Notes to the Financial Statements

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Also, subsequent to the closing of the above mentioned private placement, the Company has announced that it intends to raise a further \$300,000 through a private placement financing of units priced at \$0.27 per unit. Each unit will be comprised of one common share and one common share purchase warrant. Each purchase warrant will be exercisable at a price of \$0.36 per share for a period of 2 years from the date of issue.

14. COMPARATIVE FIGURES

Certain comparative amounts have been reclassified to conform to the current year's presentation.