Cartier Resources Inc.
(an exploration company)

Financial Statements

Third quarter ended September 30, 2010

The financial statements for the period ended September 30, 2010 have not been reviewed by the Company's external auditors.

Cartier Resources Inc.
(an exploration company)

Balance Sheets

(Unaudited)

	September 30 2010 (Unaudited)	December 31 2009 (Audited)
	$	$
Assets		
Current assets		
Cash and cash equivalents (note 3)	**1,143,908**	1,484,131
Cash reserved for exploration (note 3)	**-**	194,426
Accounts receivable (note 4)	**308,579**	342,610
Prepaid expenses	**24,641**	17,050
	1,477,128	2,038,217
Property, plant and equipment (note 5)	**25,230**	34,966
Mining properties (note 6)	**1,370,123**	1,370,789
Deferred exploration costs (note 7)	**4,596,703**	3,425,785
	7,469,184	6,869,757
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**79,699**	234,881
Future income taxes	**1,050,207**	678,968
	1,129,906	913,849
Shareholders' equity		
Capital stock (note 8)	**7,301,037**	6,722,845
Contributed surplus (note 9)	**1,822,391**	1,384,964
Deficit	**(2,784,150)**	(2,151,901)
	6,339,278	5,955,908
	7,469,184	6,869,757

Going concern (note 1)
Commitments (note 14)

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board of Directors

(signed) Philippe Cloutier, Director

(signed) Daniel Massé, Director

Cartier Resources Inc.

(an exploration company)

Statements of Deferred Exploration Costs

(Unaudited)

	Three-month period ended		Nine-month period ended	
	September 30 2010 (Unaudited)	September 30 2009 (Unaudited)	**September 30 2010 (Unaudited)**	September 30 2009 (Unaudited)
	$	$	**$**	$
Balance - Beginning of period	**4,122,006**	2,542,527	**3,425,785**	2,017,010
Expenses incurred during the period				
Drilling	**1,365**	13,484	**330,324**	191,349
Geophysics	**231,082**	76,945	**391,771**	86,961
Stripping	**106,476**	81,106	**130,173**	88,520
Geology	**134,089**	126,707	**346,759**	329,782
Geochemistry	**554**	158,547	**1,196**	178,905
Geotechnics	**28,116**	27,651	**37,780**	47,443
Core shack rental and maintenance	**9,826**	9,555	**28,454**	29,091
Exploration office expenses	**12,210**	14,942	**41,428**	53,154
Duties, taxes and permits	**2,834**	1,127	**27,758**	12,974
Depreciation of exploration equipment	**3,098**	3,098	**9,294**	9,294
Stock-based compensation employees	**7,272**	17,229	**55,801**	28,715
Stock-based compensation consultants	**10,910**	-	**16,293**	-
	547,832	530,391	**1,417,031**	1,056,188
Tax credits	**(73,135)**	-	**(198,838)**	(280)
	474,697	530,391	**1,218,193**	1,055,908
Write-off of deferred exploration costs	**-**	-	**(47,275)**	-
Net expenses during the period	**474,697**	530,391	**1,170,918**	1,055,908
Balance - End of period	**4,596,703**	3,072,918	**4,596,703**	3,072,918

The accompanying notes are an integral part of these financial statements.

Cartier Resources Inc.

(an exploration company)

Statements of Deficit

(Unaudited)

	Three-month period ended		Nine-month period ended	
	September 30 2010 (Unaudited)	September 30 2009 (Unaudited)	**September 30 2010 (Unaudited)**	September 30 2009 (Unaudited)
	$	$	**$**	$
Balance - Beginning of period	**(2,626,433)**	(1,613,975)	**(2,151,901)**	(1,355,947)
Net loss	**(157,717)**	(130,312)	**(632,249)**	(388,340)
Balance - End of period	**(2,784,150)**	(1,744,287)	**(2,784,150)**	(1,744,287)

The accompanying notes are an integral part of these financial statements.

Cartier Resources Inc.
(an exploration company)

Statements of Earnings and Comprehensive Loss
(Unaudited)

	Three-month period ended		**Nine-month period ended**	
	September 30 2010 (Unaudited)	September 30 2009 (Unaudited)	**September 30 2010 (Unaudited)**	September 30 2009 (Unaudited)
	$	$	**$**	$
Administrative expenses				
Salaries	**51,376**	40,405	**160,809**	136,067
Consultants	**18,728**	16,238	**67,572**	56,833
Stock-based compensation	**33,890**	14,078	**73,402**	24,408
Professional fees	**2,487**	5,937	**34,719**	37,403
Rent	**1,650**	1,650	**6,236**	6,087
Business development	**16,490**	23,109	**81,673**	57,873
Insurance, taxes and permits	**4,012**	2,781	**10,815**	10,282
Interest and bank charges	**290**	840	**2,926**	2,012
Depreciation of property, plant and equipment	**148**	147	**442**	442
Stationery and office expenses	**4,238**	3,633	**14,726**	15,734
Telecommunications	**1,774**	2,049	**5,410**	6,314
Training and travel	**5,745**	8,411	**15,995**	24,824
Advertising	**10,792**	6,915	**54,784**	27,149
Shareholder information	**6,852**	6,370	**30,462**	41,657
Part XII.6 tax	-	-	-	12,832
	158,472	132,563	**559,971**	459,917
Others expenses (income)				
Write-off mining properties	**-**	-	**58,714**	-
Write-off of deferred exploration costs	**-**	-	**47,275**	-
Interest income	**(755)**	(2,251)	**(4,440)**	(13,394)
Loss before income taxes	**(157,717)**	(130,312)	**(661,520)**	(446,523)
Future income taxes	**-**	-	**(29,271)**	(58,183)
Net loss and comprehensive loss	**(157,717)**	(130,312)	**(632,249)**	(388,340)
Basic and diluted net loss per share	**(0.01)**	(0.01)	**(0.02)**	(0.02)
Weighted average number of shares outstanding	**29,094,844**	25,403,900	**27,142,206**	21,509,120

Going concern (note 1)

The accompanying notes are an integral part of these financial statements.

Cartier Resources Inc.
(an exploration company)

Statements of Cash Flows

(Unaudited)

	Three-month period ended		Nine-month period ended	
	September 30	September 30	**September 30**	September 30
	2010	2009	**2010**	2009
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	$	$	**$**	$
Cash flows from operating activities				
Net loss	**(157,717)**	(130,312)	**(632,249)**	(388,340)
Items not affecting cash and cash equivalents				
Depreciation of property, plant and equipment	**148**	147	**442**	442
Stock-based compensation	**33,890**	14,078	**73,402**	24,408
Future income taxes	**-**	-	**(29,271)**	(58,183)
Write-off of mining properties	**-**	-	**58,714**	-
Write-off of deferred exploration costs	**-**	-	**47,275**	-
	(123,679)	(116,087)	**(481,687)**	(421,673)
Net change in non-cash working capital items (note 10)	**(54,936)**	(83,272)	**(29,780)**	653,421
	(178,615)	(199,359)	**(511,467)**	231,748
Cash flows from financing activities				
Issuance of shares and warrants	**-**	275,000	**1,325,010**	1,528,080
Share and warrant issue expenses	**(508)**	(23,308)	**(139,384)**	(182,000)
Exercice of stock options	**6,250**	-	**6,250**	-
	5,742	251,692	**1,191,876**	1,346,080
Cash flows from investing activities				
Cash reserved for exploration	**314,761**	508,936	**194,426**	4,844
Net acquisition of mining properties	**(11,102)**	(96,732)	**(23,048)**	(97,439)
Deferred exploration costs	**(450,184)**	(455,249)	**(1,192,010)**	(906,692)
	(146,525)	(43,045)	**(1,020,632)**	(999,287)
Increase (decrease) in cash and cash equivalents	**(319,398)**	9,288	**(340,223)**	578,541
Cash and cash equivalents - Beginning of period	**1,463,306**	1,683,515	**1,484,131**	1,114,262
Cash and cash equivalents - End of period	**1,143,908**	1,692,803	**1,143,908**	1,692,803

Additional information (note 10)

The accompanying notes are an integral part of these financial statements.

1. Incorporation, nature of operations and going concern

Cartier Resources Inc. (the "Company") was incorporated under Part 1A of the Québec *Companies Act* on July 17, 2006. Its activities include mainly the acquisition and exploration of mining properties. The Company has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mining properties is dependent upon the existence of economically recoverable ore reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposal of properties.

The Company's ability to continue as a going concern depends on obtaining additional financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") applicable to a going concern. The application of GAAP on a going concern basis may be inappropriate, since there is a doubt as to the validity of the going concern assumption.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of revenues and expenses and the classification of balance sheet items if the going concern assumption was deemed inappropriate, and these adjustments could be material. Management did not take these adjustments into account as it believes in the validity of the going concern assumption.

2. Summary of significant accounting policies

Basis of presentation

These unaudited interim financial statements of the Company have been prepared in accordance with Canadian GAAP and contain the financial position, results of operations and cash flows of the Company. The same accounting policies used in the last annual report have been applied in the unaudited interim financial statements. The unaudited interim financial statements do not include all the information and notes required according to the GAAP for the annual financial statements that the Company presented in its annual report for the year ended December 31, 2009. As a result, these unaudited interim financial statements should be read in conjunction with the audited financial statements of the Company in the annual report for the year ended December 31, 2009.

Use of estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the disclosures in the notes thereto.

The most significant items requiring the use of management's estimates and assumptions consist of the recoverable value of mining assets, the stock-based compensation and other stock-based payments, the value of warrants and the provision for future income taxes and mining taxes. These estimates and assumptions were made by management using careful judgment, based on the most current geological information available and its planned course of action, as well as on assumptions about future business, economic and capital market conditions.

Actual results could differ from estimates used in preparing these financial statements and such differences could be material.

3. Cash and cash equivalents and cash reserved for exploration

As at September 30, 2010, the cash and cash equivalents included cash, banker's acceptance expiring October 29, 2010 for an amount of $199,881 and a commercial paper expiring December 12, 2010 for an amount of $199,592 and one bond bearing an interest rate of 1.04% and expiring November 12, 2010. As at December 31, 2009, the cash and cash equivalents and the cash reserved for exploration included cash, banker's acceptance expiring February 1, 2010 for an amount of $399,920 and two bonds, with one bond bearing an interest rate of 4% and expiring February 1, 2010, and the other bond bearing an interest rate of 0.29% and expiring February 15, 2010 for an amount of $300,549 and $399,870 respectively.

	September 30 2010 (Unaudited)	December 31 2009 (Audited)
	$	$
Cash	**438,308**	578,218
Banker's acceptance and commercial paper	**399,473**	399,920
Bonds	**306,127**	700,419
	1,143,908	1,678,557
Less: cash reserved for exploration	**-**	(194,426)
Cash and cash equivalents	**1,143,908**	1,484,131

4. Accounts receivable

	September 30 2010 (Unaudited)	December 31 2009 (Audited)
	$	$
Credit on duties refundable and refundable tax credit for resources	**264,094**	274,359
Commodity taxes and others	**44,485**	68,251
	308,579	342,610

5. Property, plant and equipment

	September 30 2010 (Unaudited)			December 31 2009 (Audited)		
	Cost	**Accumulated depreciation**	**Net book value**	Cost	Accumulated depreciation	Net book value
	$	**$**	**$**	$	$	$
Leasehold improvements	**51,730**	**31,974**	**19,756**	51,730	24,214	27,516
Furniture and equipment	**13,173**	**7,699**	**5,474**	13,173	5,723	7,450
	64,903	**39,673**	**25,230**	64,903	29,937	34,966

6. Mining properties

Properties	December 31 2009 (Audited)	Additions	Reclassification	Write-off	**September 30 2010 (Unaudited)**
	$	$	$	$	**$**
MacCormack	252,367	-	-	-	**252,367**
Preissac	412,963	-	-	-	**412,963**
Newconex West	309,723	-	(43,151)	(52,164)	**214,408**
Rambull	172,224	-	42,383	-	**214,607**
Dieppe-Collet	71,935	-	-	-	**71,935**
Dollier	40,723	-	(1,092)	-	**39,631**
Diego	3,484	1,090	-	-	**4,574**
La Pause	8,612	-	-	-	**8,612**
Rivière Doré	56,396	41,840	-	-	**98,236**
Cadillac Extension	24,568	14,716	11,244	-	**50,528**
Others	-	2,262	-	-	**2,262**
DeCorta	11,244	-	(11,244)	-	**-**
Manneville	6,550	-	-	(6,550)	**-**
	1,370,789	59,908	(1,860)	(58,714)	**1,370,123**

The Company holds a 100% interest in 10 mining properties that are all located in the northwestern region of Quebec. These properties are the following: MacCormack, Preissac, Newconex West, Rambull, Dieppe-Collet, Dollier, La Pause, Diego, Rivière Doré and Cadillac Extension.The MacCormack, Preissac, Newconex West and Rambull properties as well as the five claim blocks of the Xstrata-Option Property, cover a length of 48 kilometers on the eastern extension of the Destor-Porcupine fault.

During the period, the Company proceeded to a redistribution of certain cells of Newconex Ouest property to Rambull property and an amount of $42,383 was transfered to the Rambull mining property and the exploration cost of $128,949 and $34,838 of tax credits were also transfered to the Rambull property. The Newconex Ouest property was decreased of those respective amounts.

No exploration work was planned on the Manneville property and on a portion of Newconex West property corresponding to 16 claims. As a result, the Company wrote off, during the second quarter, the cost related to the Manneville property and the the sixteen claims of the Newconex West property corresponding to the acquisition costs of $6,550 and $52,164 respectively and also the deferred exploration costs of $42,899 and $4,376. Those costs are recorded in the statements of earnings and comprehensive loss.

On February 7, 2008, the Company signed an agreement with Xstrata Canada Corporation - Xstrata Zinc Canada Division ("Xstrata Zinc") entitling the Company to acquire a 100% interest in five blocks of map designated claims totalling 50 units and covering approximately 2,088 hectares (the "Xstrata-Option Property"). The Xstrata-Option Property is located in the Abitibi, in the northwestern region of Quebec. All blocks are contiguous to the four properties which originated from the subdivision of the Company's Kinojevis property. On May 1, 2009, the parties amended the original agreement by allowing the Company to carry forward for one year the exploration work requirements. All other clauses of the original agreement remain unchanged. Pursuant to the amended agreement, the Company must incur an aggregate amount of $400,000 in exploration expenses before December 31, 2010, instead of December 31, 2009, and an aggregate amount of $1,000,000 in exploration expenses before December 31, 2011, instead of December 31, 2010 as stated in the original agreement.

These expenditures may be accelerated and charged to future years' expenses and accordingly, at the Company's sole discretion, the option may be exercised sooner. The agreement allows Xstrata Zinc to:

- buy back a 50% undivided interest in the Xstrata-Option Property or portions thereof, or, if it waives this opportunity, to retain a 2% net smelter return royalty on the net production of the Xstrata-Option property; and
- the right to purchase or treat concentrate produced from the Xstrata-Option Property.

As at September 30, 2010, the Company had incurred total exploration costs of $414,412 on the Xstrata-Option Property.

7. Deferred exploration costs

Properties	December 31 2009 (Audited)	Addition	Reclassification	Write-off	Tax credits	**September 30 2010 (Unaudited)**
	$	$	$	$	$	$
MacCormack	1,437,817	319,935	-	-	(67,312)	**1,690,440**
Preissac	382,268	29,267	-	-	(3,704)	**407,831**
Newconex West	427,416	4,563	(94,111)	(4,376)	-	**333,492**
Rambull	295,672	14,929	94,111	-	(2,031)	**402,681**
Dieppe-Collet	144,991	1,144	-	-	-	**146,135**
Dollier	161,367	206,827	-	-	(24,746)	**343,448**
Diego	10,393	98,073	-	-	(10,848)	**97,618**
La Pause	120,004	2,446	-	-	(198)	**122,252**
Rivière Doré	122,116	390,739	-	-	(45,039)	**467,816**
Cadillac Extension	87,853	125,653	42,490	-	(14,257)	**241,739**
Xstrata-Option	150,499	221,458	-	-	(30,434)	**341,523**
Others	-	1,997	-	-	(269)	**1,728**
DeCorta	42,490	-	(42,490)	-	-	**-**
Manneville	42,899	-	-	(42,899)	-	**-**
	3,425,785	1,417,031	-	(47,275)	(198,838)	**4,596,703**

8. Capital stock

Authorized,
Unlimited number of common shares, without par value, voting and participating

	Number	Amount
		$
Balance at beginning December 31, 2009	25,526,183	6,722,845
Shares issued		
Property acquisition	100,000	35,000
Waiver of tax deductions	-	(356,752)
	100,000	(321,752)
Balance - March 31, 2010	25,626,183	6,401,093
Shares issued		
Public offering short-form document	557,143	121,329
Public offering short-form document flow-through common shares	1,250,000	535,339
Private placement	1,657,170	373,361
	3,464,313	1,030,029
Share issue expenses	-	(138,876)
Balance - June 30, 2010	29,090,496	7,292,246
Shares issued		
Stock options exercised	25,000	9,299
Share issue expenses	-	(508)
Balance - September 30, 2010	29,115,496	7,301,037

8. Capital stock (continued)

Issuance of common shares on June 15, 2010

On June 15, 2010, the Company completed a private placement of $580,010 before share issue expenses. The Company issued 1,657,170 units. Each unit consists of one common share at a price of $0.35 per share and one share purchase warrant with each warrant entitling the holder to subscribe to one common share at a price of $0.45 for a period of two years following the date of closing. The financing is presented net of the value of the related warrants which was established at $206,649. Share issue expenses totalling $29,140 have reduced the capital stock.

Issuance of common shares and flow-through common shares on May 19, 2010

On May 19, 2010, the Company completed a public offering of $745,000.05 by way of a short-form offering document. The offering consisted of the issuance of 1,250,000 flow-through shares at a price of $0.44 per flow-through share for an amount of $550,000 and 557,143 units at a price of $0.35 per unit for an amount of $195,000.05. Each unit is comprised of one common share and one common share purchase warrant, each warrant entitling the holder to subscribe for one common share at a price of $0.45 for a period of two years following the closing date. The Company paid the agent a fee equal to 8.5% of the gross proceeds from the sale of flow-through shares and units sold pursuant to the offering. In addition the agent received non transferable compensation options entitling it to subscribe for such number of common shares of the Company equal to 5% (90,357 compensation options) of the total number of shares sold pursuant the offering, exercisable in whole or in part at a price of $0.35 per common share for a period of 12 months from closing.

The financing is presented net of the value of the related warrants and the agent compensation options which was established at $67,136 and $21,195 respectively. Share issue expenses totalling $109,736 have reduced the capital stock.

Stock option plan

The Company maintains a stock option plan on behalf of its directors, officers, employees and consultants. The Board of Directors determines the vesting conditions pursuant to the stock options which have been granted. The options are acquired over a period of twelve months, with tranches of 25 % vesting every three months. The options are exercisable over a maximum period of five years.

On May 20, 2009, the Company modified its stock option plan. The modification allows that the maximum number of common shares which may be reserved under the plan would be limited to 10 % of the number of common shares issued and outstanding (on a non-diluted basis). The options granted to any optionnee cannot exceed 5% of the issued and outstanding common shares.

During the nine month- period a total of 495,00options were granted including 120,000 to a consultant and 25,000 were exercised.

The following table summarizes the information about the stock options which are outstanding :

	Number	Weighted average exercise price
		$
Outstanding - December 31, 2009	1,965,000	0.42
Granted-employees	375,000	0.37
Granted-consultants	120,000	0.38
Exercised	(25,000)	0.25
Outstanding - September 30, 2010	2,435,000	0.41
Exercisable - September 30, 2010	1,965,000	0.42

8. Capital stock (continued)

The following table summarizes certain information for stock options granted and exercisable as at September 30, 2010 :

	Outstanding options September 30, 2010			Exercisable options September 30, 2010	
Exercise price	Number of options	Weighted average life	Weighted average exercise price	Number of options	Weighted average exercise price
		(years)	$		$
0,10 $ to 0,20 $	140,000	3.16	0.16	140,000	0.16
0,21 $ to 0,30 $	425,000	2.78	0.25	425,000	0.25
0,31 $ to 0,40 $	770,000	4.51	0.37	300,000	0.36
0,41 $ to 0,50 $	200,000	2.64	0.45	200,000	0.45
0,51 $ to 0,60 $	700,000	1.67	0.54	700,000	0.54
0,61 $ to 0,70 $	200,000	2.18	0.62	200,000	0.62
0,10 $ to 0,70 $	2,435,000	2.97	0.41	1,965,000	0.42

Warrants

During the period no warrants were issued.

Pursuant to the public offering by way of a short-form effering document completed May 19, 2010, a total of 557,143 warrants were issued and 90,357 compensation options were granted to the agent of the offering as partial compensation. Each share purchase warrant entitle the holder to acquire one common share at an exercise price of $0.45 per share for a period of two years following the date of closing. And each compensation option entitle the holder to acquire one common share at an exercise price of $0.35 per share for a period of 12 months following the date of closing.

The Company completed a private placement on June 15, 2010, an a total of 1,657,170 share purchase warrant was issued. Each share purchase warrant entitle the holder to acquire one common share at an exercise price of $0.45 per share for a period of two years following the date of closing.

The following table presents the information relating to the warrant activity :

	Number	Weighted average exercise price	Weighted average remaining contractual life
		$	(years)
Outstanding - December 31, 2009	4,199,412	0.32	1.32
Granted - public offering short-form offering document	557,143	0.45	1.63
Granted - agent compensation options	90,357	0.35	0.63
Granted - private placement	1,657,170	0.45	1.71
Outstanding - September 30, 2010	6,504,082	0.36	0.96

8. Capital stock (continued)

The outstanding warrants are as followed :

Expiration date	Exercise price	Number
	$	
December 2010	0.35	1,411,091
May 2011	0.35	90,357
June 2011	0.30	1,538,320
July 2011	0.30	1,250,001
May 2012	0.45	557,143
June 2012	0.45	1,657,170
		6,504,082

9. Contributed surplus

	$
Beginning - December 31, 2009	1,384,964
Warrants granted during the period	294,980
Stock-based compensation	145,496
Exercised options	(3,049)
End - September 30, 2010	1,822,391

10. Cash flows

Net change in non-cash working capital items:

	Three-month period ended		Nine-month period ended	
	September 30 2010 (Unaudited)	September 30 2009 (Unaudited)	**September 30 2010 (Unaudited)**	September 30 2009 (Unaudited)
	$	$	**$**	$
Accounts receivable	**(4,525)**	(17,838)	**23,766**	706,256
Prepaid expenses	**(3,936)**	(2,824)	**(7,591)**	(11,091)
Accounts payable and accrued liabilities	**(46,475)**	(62,610)	**(45,955)**	(41,744)
	(54,936)	(83,272)	**(29,780)**	653,421

Additional information

	Three-month period ended		Nine-month period ended	
	September 30 2010 (Unaudited)	September 30 2009 (Unaudited)	**September 30 2010 (Unaudited)**	September 30 2009 (Unaudited)
	$	$	**$**	$
Items not affecting cash and cash equivalents related to operating, financing and investing activities				
Tax credits applied against deferred exploration costs	**73,135**	-	**198,838**	280
Shares issued for the acquisition of mining properties	**-**	-	**35,000**	-
Depreciation of property, plant and equipment transferred to deferred exploration costs	**3,098**	3,098	**9,294**	9,294
Deferred exploration costs included in accounts payable and accrued liabilities	**31,322**	54,814	**57,552**	129,887
Stock-based compensation charged to deferred exploration costs	**18,182**	17,229	**72,094**	28,715

11. Financial instruments

Objectives and policies in managing financial risks

As an exploration company, the Company is exposed to various financial risks resulting from its operations and financing activities. The directors and officers of the Company manage those risks.

The Company does not enter into speculative derivative financial instruments.

Financial risks

The main financial risks and the policies in risk management which the Company is exposed to are the following:

Interest risk

The obligation bears interest at a fixed rate and consequently exposes the Company to the fair value risk fluctuation related to interest fluctuation rates.

The other financial assets and liabilities of the Company do not represent interest risk because they are concluded without interest.

The Company does not use financial derivatives to reduce its exposure to interest risk.

As at September 30, 2010, the Company's exposure to interest rate risk is summarized as follows:

Cash and cash equivalents	Variable and fixed interest rate
Accounts receivable	Non-interest bearing
Accounts payable and accrued liabilities	Non-interest bearing

Liquidity risk

Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has at its disposal sufficient sources of financing such as private placements. The Company establishes cash estimates to ensure it has the necessary funds to fulfill its obligations. Obtaining additional funds makes it possible for the Company to continue its operations, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future.

Credit risk

Cash and cash equivalents are held or issued by financial institutions with a superior-quality credit rating. Hence, the Company considers that the risk of non-performance of such instruments is negligible.

11. Financial instruments (continued)

Fair value of financial instruments

The fair value of cash and cash equivalents, cash reserved for exploration, accounts receivable and accounts payable and accrued liabilities approximates their carrying value due to their short-term maturity.

	September 30 2010 (Unaudited)		December 31 2009 (Audited)	
	Book value	**Fair value**	Book value	Fair value
Financial assets	**$**	**$**	$	$
Held for trading				
Cash and cash equivalents (a,b)	**1,143,908**	**1,143,908**	1,484,131	1,484,131
Cash reserved for exploration (a)	**-**	**-**	194,426	194,426
Loans and receivables				
Accounts receivables (a)	**173**	**173**	10,156	10,156
Financial liabilities				
Others financial liabilities				
Accounts payable and accrued liabilities (a)	**79,699**	**79,699**	234,881	234,881

a) The Company owns and assumes financial assets and liabilities such as cash and cash equivalents, accounts receivable, as well as accounts payable and accrued liabilities. The fair value of these financial assets and liabilities approximates their book value as these items will be realized in the short term.

b) The fair value of banker's acceptances and bonds is the bid price.

Fair value
The fair value measurements of bankers' acceptance and bonds have been classified at level one from the fair value hierarchy. This valuation is based on data observed in the market.

12. Capital disclosures

The Company's objectives in managing its capital are to ensure sufficient liquidity to pursue its organic growth strategy and undertake selective acquisitions. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares and acquire or sell mining properties to improve its financial performance and flexibility.

The Company's capital is composed of shareholders' equity. The Company's primary uses of capital are to finance exploration expenditures and acquire properties. To effectively manage the Company's capital requirements, the Company has in place a rigorous planning and budgeting process to help determine the funds required to ensure the Company has appropriate liquidity to meet its operating and growth objectives.

The Company expects its current capital resources and its ability to obtain additional financing will support further exploration and development of its mineral properties.

The Company is not subject, in regards of external rules, to any requirements regarding its capital, except if the Company completes a flow-through financing for which proceeds must be reserved for exploration. As at September 30, 2010, there was no cash reserved for exploration.

As at September 30, 2010, the shareholders' equity was $6,339,278 ($5,955,908 as at December 31, 2009).

13. Related party transactions

	Three-month period ended		Nine-month period ended	
	September 30 2010 (Unaudited)	September 30 2009 (Unaudited)	**September 30 2010 (Unaudited)**	September 30 2009 (Unaudited)
	$	$	**$**	$
Consultant	-	1,000	-	3,000
Services and geoscientific data	-	20,000	-	20,000
	-	21,000	-	23,000

14. Commitments

The Company has some contractual obligations pursuant to various leases and equipment and vehicule leasing agreements. The Company has an obligation to pay a total amount of $74,296 over the next three years. Minimum payments are as follows:

	$
2010	11,303
2011	45,214
2012	17,779
	74,296

15. Subsequent event

As at October 28, 2010, Cartier announced that it has signed a Letter of Intent (LOI) for its Rivière Doré property with Copper One Inc. Under the terms of the LOI, Copper One is granted an "Initial Option" to acquire an undivided 51% interest in the Rivière Doré property by making cumulative exploration expenditures of $5,000,000 on or before December 31, 2015, including a firm first year commitment of $750,000 and paying $250,000 and issuing to Cartier 350,000 common shares of Copper One. Upon the valid exercise of the Initial Option, Copper One shall have an "Additional Option" to acquire a further 24% interest in the Rivière Doré property by continuing until the completion of a definitive feasibility study or making further cumulative expenditures of $20,000,000 by or before December 31, 2020.

Cartier will manage the exploration program during the "Initial Option" period. After the first year of the Initial Option, Copper One may elect to operate the project. If it elects to do so, Copper One will make an annual cash payment to Cartier of $50,000 for each year that it shall operate the project during the Initial Option. The proposed agreement contemplates that a joint venture will be formed once Copper One has vested at 51% or 75%. The parties also agree that the definitive agreement will include negotiated terms for the joint venture agreement.

Subject to customary conditions and a legal, technical and business due diligence, both parties have agreed to work towards signing a definitive agreement on or before January 15th 2011.

As Novemmber 10, 2010, Cartier announces that it has entered into an agreement, on a “best efforts” basis, to proceed with a private placement for gross proceeds of up to $3.25 million (the “Offering”). The Offering consists of the issuance of a maximum of 2,500,000 flow-through common shares (the “Flow-Through Shares”) at a price of $0.50 per Flow-Through Share for maximum gross proceeds of $1.25 million and a maximum of 5,263,158 units (the “Units”) at a price of $0.38 per Unit for maximum gross proceeds of $2 million. Each Unit is comprised of one (1) common share and one (1) common share purchase warrant, each warrant entitling the holder to subscribe for one (1) common share at a price of $0.50 per share for a period of two (2) years following the closing of the Offering. The Company has entered into an agreement with Windermere Capital (Canada) Inc. to act as agent for and on behalf of the Company

16. Comparative figures

Certain comparative figures have been reclassified to conform with the current period presentation.