

Lovitt Resources Inc.
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For three month period ending March 31, 2010
(Expressed in U.S. Dollars)

This statement was prepared by management without benefit of audit.

Lovitt Resources Inc.
INTERIM CONSOLIDATED BALANCE SHEETS
(Expressed in U.S. Dollars)

	March 31, 2010 <u>(Unaudited)</u>	December 31, 2009 <u></u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,441	\$ 3,544
Amounts receivable	7,103	10,134
Current portion of land held for sale	--	--
Prepaid expenses	<u>1,691</u>	<u>1,687</u>
	10,235	15,365
LOAN RECEIVABLE	--	--
ASSET HELD FOR RESALE (Note 2)	331,547	331,547
PROPERTY, PLANT AND EQUIPMENT	284,828	284,828
MINERAL PROPERTIES	263,103	240,802
PATRONAGE DIVIDENDS RECEIVABLE	<u>17,358</u>	<u>19,845</u>
	\$ <u>907,071</u>	\$ <u>892,387</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 172,504	\$ 134,166
Accrued interest payable	299,199	269,478
Notes payable (Note 3)	5,517	5,459
Current portion of long-term debt (Note 4)	<u>422,191</u>	<u>394,921</u>
	899,411	804,024
LONG-TERM DEBT (Note 4)	<u>910,691</u>	<u>920,000</u>
	<u>1,810,102</u>	<u>1,724,024</u>
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (Note 5)	2,492,110	2,492,110
CONTRIBUTED SURPLUS	23,369	23,369
RETAINED EARNINGS (DEFICIT)	<u>(3,418,510)</u>	<u>(3,347,116)</u>
	<u>(903,031)</u>	<u>(831,637)</u>
	\$ <u>907,071</u>	\$ <u>892,387</u>

See notes to interim consolidated financial statements.

Approved by the Board _____ Director _____ Director

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Lovitt Resources Inc.

INTERIM CONSOLIDATED STATEMENTS OF INCOME AND DEFICIT

(Expressed in U.S. Dollars)

	Three months ended March 31,	
	<u>2010</u>	<u>2009</u>
REVENUE		
Crop	--	--
Sale of crop	--	--
Rental and other income	2,700	3,000
Consulting fees	<u>--</u>	<u>--</u>
	<u>2,700</u>	<u>3,000</u>
EXPENSES		
Amortization of property, plant and equipment	--	--
General and administrative	28,172	30,233
Interest on long-term debt	29,347	26,697
Interest – other	--	--
Management fees	15,000	15,000
Foreign exchange loss (gain)	<u>1,576</u>	<u>7,547</u>
	<u>74,094</u>	<u>(79,477)</u>
INCOME (LOSS) BEFORE OTHER ITEMS	<u>(71,394)</u>	<u>(76,477)</u>
OTHER ITEMS		
Equity income (loss) on investment	--	--
Gain/loss on sale of land	--	--
Gain on sale of other assets	--	5,000
Gain on sale of water rights	--	--
	<u>--</u>	<u>5,000</u>
	-	5,000
NET INCOME (LOSS) FOR THE PERIOD	(71,394)	(71,477)
RETAINED EARNINGS (DEFICIT), beginning of period	<u>(3,347,116)</u>	<u>(2,995,704)</u>
RETAINED EARNINGS (DEFICIT), end of period	\$ <u>(3,418,510)</u>	\$ <u>(3,067,181)</u>
EARNINGS (LOSS) PER SHARE – basic	\$ <u>(0.01)</u>	\$ <u>(0.01)</u>
EARNINGS (LOSS) PER SHARE – diluted	\$ <u>(0.01)</u>	\$ <u>(0.01)</u>

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Lovitt Resources Inc.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in U.S. Dollars)

	Three months Ended March 31,	
	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss) for the period	\$ (71,394)	\$ (71,477)
Adjustments to reconcile net cash provided by operating activities		
Amortization of property, plant and equipment	--	--
Gain on disposal of land	--	--
Gain on sale of other assets	--	--
Gain on disposal of water rights	--	--
Equity loss on investment	--	--
Decrease (increase) in		
Amounts receivable	3,031	(2,225)
Plant & capital assets	(19,813)	(47,763)
Prepaid expenses	(5)	--
Increase (decrease) in		
Accounts payable and accrued liabilities	38,223	(6,537)
Accrued interest payable	29,721	14,357
Notes payable	<u>56</u>	<u>(120)</u>
	<u>20,181</u>	<u>(113,765)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Advances to affiliate	--	--
Purchase of property, plant and equipment	--	--
Issuance of shares, net of offering costs	--	--
Proceeds on sale of property, plant and equipment	--	--
Proceeds on sale of water rights	<u>--</u>	<u>--</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	18,078	147,143
Repayment of long-term debt	<u>--</u>	<u>(25,870)</u>
	<u>18,078</u>	<u>121,273</u>
INCREASE (DECREASE) IN CASH DURING THE PERIOD	(2,103)	7,508
CASH, beginning of period	<u>3,544</u>	<u>4,417</u>
CASH (NET BORROWINGS), end of period	\$ <u><u>1,441</u></u>	\$ <u><u>11,925</u></u>
CASH (NET BORROWINGS) IS COMPRISED OF		
Cash	\$ 1,441	\$ 11,925
Checks issued in excess of funds on deposits	<u>--</u>	<u>--</u>
	\$ <u><u>1,441</u></u>	\$ <u><u>11,925</u></u>

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