

ABENTEUER RESOURCES CORP.
INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
JUNE 30, 2005
(UNAUDITED)

ABENTUEUR RESOURCES CORP

INTERIM BALANCE SHEET

(UNAUDITED)

Statement 1

	June 30 2005	December 31 2004 (Audited)
ASSETS		
Current Assets		
Cash and term deposits	\$ 154,605	\$ 544,788
Accounts receivable	35,371	11,162
Prepaid expenses	5,577	--
Refundable deposits	--	1,244
	<hr/> 195,553	<hr/> 557,194
Property and Equipment		
Property and equipment - <i>Note 2</i>	662,401	434,197
	<hr/>	<hr/>
TOTAL ASSETS	\$ 957,954	\$ 991,391
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 38,017	\$ 15,831
Long Term Liabilities		
Asset retirement obligation - <i>Note 3</i>	87,996	19,300
	<hr/>	<hr/>
SHAREHOLDERS' EQUITY		
Share Capital - <i>Note 4</i>	912,314	912,314
Contributed Surplus	32,710	32,710
Retained Earnings (Deficit) - <i>Statement 2</i>	(213,083)	11,236
	<hr/> 731,941	<hr/> 956,260
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TOTAL LIABILITIES AND EQUITY	\$ 857,954	\$ 991,391

On behalf of the Board

"J. Lewis Dillman Director

"Raymond Fong" Director

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

ABENTEUER RESOURCES CORP.**INTERIM STATEMENT OF RETAINED EARNINGS (DEFICIT)**

(UNAUDITED)

Statement 2

	Three months ended		Six Months ended	
	June 30 2005	June 30 2004	June 30 2005	June 30 2004
Balance – beginning of the period	\$ (28,567)	\$ 84,361	\$ 11,236	\$ 128,037
Adjustment for change in accounting policy - <i>Note 2</i>	--	--	--	3,200
Retained earnings - restated	(28,567)	84,361	11,236	131,237
Net earnings (loss) for the period	(184,516)	(34,847)	(224,319)	(81,723)
Retained earnings – end of the period	\$(213,083)	\$ 49,514	\$ 213,083	\$ 49,514

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

ABENTEUER RESOURCES CORP.**INTERIM STATEMENT OF RETAINED EARNINGS OPERATIONS**

(UNAUDITED)

Statement 3

	Three months ended		Six Months ended	
	June 30 2005	June 30 2004	June 30 2005	June 30 2004
Income				
Oil and gas sales, net of royalties	\$ 81,426	\$ 84,778	\$ 119,771	\$ 166,363
Expenses				
Administration	127,120	21,394	169,638	41,280
Depletion, amortization and accretion	116,696	71,403	139,941	148,806
Oil and gas operating	22,126	16,627	34,511	36,683
Interest	--	10,201	--	21,317
	265,942	119,625	344,090	248,086
Net earnings (loss) for the period	\$ (184,516)	\$ (34,847)	\$ (224,319)	\$ (81,723)
Net earnings (loss) per share	\$ (0.03)	\$ (0.01)	\$ (0.04)	\$ (0.01)

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

ABENTEUER RESOURCES CORP.

INTERIM STATEMENT OF CASH FLOWS

(UNAUDITED)

Statement 4

	Three months ended		Six Months ended	
	June 30 2005	June 30 2004	June 30 2005	June 30 2004
CASH PROVIDED BY (USED IN)				
Operating Activities				
Net earnings (loss) for the period - <i>Statement 3</i>	\$ (184,516)	\$ (34,847)	\$ (224,319)	\$ (81,723)
Add items not requiring cash payment				
Depletion, amortization and accretion	116,696	71,403	139,941	148,806
	(67,820)	36,556	(84,378)	67,083
Changes in non-cash working capital relating to operations	25,355	40,315	(6,356)	11,039
	(42,465)	76,871	(90,734)	78,122
Financing Activities				
Long term debt	--	(10,000)	--	--
Shareholder loan	--	4,149	--	9,019
	--	(5,851)	--	9,019
Investing Activity				
Property and equipment	(79,450)	(68,921)	(299,450)	(90,130)
Increase (decrease) in cash	(121,915)	2,099	(390,184)	(2,989)
Cash – beginning of period	276,519	1,208	544,788	6,296
Cash – end of period	\$ 154,604	\$ 3,307	\$ 154,604	\$ 3,307

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

ABENTEUR RESOURCES CORP.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2005

(UNAUDITED)

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

The interim unaudited financial statements of Abenteur Resources Corp. (“the Company”) have been prepared by management in accordance with accounting policies generally accepted in Canada. The interim unaudited financial statements have been prepared following the same accounting policies and methods of computation as the financial statements for the fiscal year ended December 31, 2004. The interim financial statements should be read in conjunction with the financial statements and the notes thereto in the Company’s annual report for the year ended December 31, 2004.

NOTE 2 PROPERTY AND EQUIPMENT

	Cost	Accumulated Depletion and Amortization	June 30 2005 Net Book Value
Computer equipment	\$ 3,155	\$ 2,192	\$ 963
Petroleum & natural gas properties	1,157,782	496,344	661,438
	<u>\$ 1,130,937</u>	<u>\$ 498,536</u>	<u>\$ 662,401</u>

	Cost	Accumulated Depletion and Amortization	June 30 2005 Net Book Value
Computer equipment	\$ 3,155	\$ 2,192	\$ 963
Petroleum & natural gas properties	842,278	409,044	433,234
	<u>\$ 45,433</u>	<u>\$ 411,236</u>	<u>\$ 434,197</u>

At June 30, 2005, petroleum and natural gas properties included \$nil (2004 - \$nil) relating to unproved properties which have been excluded from the depletion calculation.

No general and administrative costs were capitalized during the quarter (2004 – \$nil).

NOTE 3 ASSET RETIREMENT OBLIGATION

The Company retroactively adopted the new recommendations on the recognition of the obligations to retire long-lived tangible assets. The change was effective January 1, 2004 and the revision was applied retroactively. The impact on Assets January 1, 2004 was as follows:

	As reported	Change	As restated
Assets			
Capital assets net of depletion	\$ 1,654,615	\$ 22,100	\$ 1,676,715
Liabilities			
Asset retirement obligation	3,200	18,900	22,100
Retained earnings	128,037	3,200	131,237

ABENTEUER RESOURCES CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2005

(UNAUDITED)

NOTE 3 ASSET RETIREMENT OBLIGATION – CONTINUED

Changes to the asset retirement obligation for the six months ended June 30, 2005 and 2004 are as follows:

	2005	2004
Asset retirement obligation at the beginning of the period	\$ 19,300	\$ 2,100
Liabilities incurred during the period	16,055	--
Accretion	445	300
Asset retirement obligation at the end of the period	\$ 35,800	\$ 22,400

NOTE 4 SHARE CAPITAL

Authorized:

Unlimited number of voting common shares without nominal or par value
 Unlimited number of preferred shares without nominal or par value

Issued:

As at December 31, 2004 and June 30, 2005	<u>6,040,000</u>	<u>\$ 912,314</u>
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Contributed Surplus

As at December 31, 2004 and June 30, 2005	<u>\$ 32,710</u>
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Per share amounts were calculated using the weighted average number of common shares outstanding of 6,040,000. The stock options were not included in the diluted earnings per share calculation because to do so would be anti-dilutive.

Stock Options

The Company has a Directors' and Management Stock Option Plan (the "Plan") that allows the Company's board of directors to grant options as an additional incentive for directors, officers, employees and consultants to invest in the Company's common shares and thereby increase their equity and proprietary interest in the Company. All of the options which have been issued to date by the Corporation have been issued according to the Plan.

ABENTEUER RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

FOR THE SIX MONTHS ENDED JUNE 30, 2005

(UNAUDITED)

NOTE 4 SHARE CAPITAL – CONTINUED

Under the Plan, options may be granted to purchase the Company's common shares up to the maximum number of shares permitted under the rules of the DDNX (currently 10% of the total outstanding common shares, with a maximum number of common shares optioned to any one optionee of no more than 5% of the total outstanding common shares). The exercise price of such options on the date of the grant cannot be less than the market price of the common shares on the CDNX less the permissible discount allowed by that exchange.

Stock option activity with respect to the Company's stock option plan is as follows:

	<u>Number of Shares</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
Balance December 31, 2004 and June 30, 2005	570,000	\$ 0.15	December 15, 2006

Warrants

On July 9, 2003 the Company issued 700,000 units at \$0.50 per unit for gross proceeds of \$350,000. Each unit is comprised of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.75. The warrants expire on July 9, 2005. Subsequent to June 30, 2005, these warrants expired.

As at June 30, 2005 there were nil common shares held in escrow.

NOTE 5 RELATED PARTY TRANSACTIONS

During the period, the Company paid management fees of \$19,000 (2004 - \$12,500) to a director of the Company (2004 – to a company controlled by a director of the Company).

NOTE 6 SUBSEQUENT EVENTS

The company has negotiated a non-brokered private placement of 1,200,000 units. Each unit consists of one common share at \$0.25 per share and one non-transferable share purchase warrant exercisable at \$0.45 per share for a period of one year. Total proceeds of the placement are \$300,000 and will be used to develop the Company's resource properties as well as general working capital.

As of August 25, 2005, 970,000 units had been purchased for net proceeds of \$230,075.

Effective August 11, 2005, the Company entered into a participation agreement with Grand Banks Energy Corporation ("Grand Banks") with respect to the drilling of a vertical well. Under the agreement, the Company will earn a 3.9% interest in the well buy incurring 6% of the drilling, completion and equipping costs. This will enable the Company to participate in the development of additional lands covered by the agreement.

