NORTH AMERICAN TUNGSTEN CORPORATION LTD

INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED MARCH 31, 2008
UNAUDITED

NORTH AMERICAN TUNGSTEN CORPORATION LTD.
INTERIM CONSOLIDATED BALANCE SHEET
AS AT MARCH 31, 2008 AND SEPTEMBER 30, 2007
UNAUDITED

(Expressed in Canadian Dollars)		March 31 2008		September 30 2007
ASSETS				
Current assets				
Cash and cash equivalents	$	1,143,283	$	11,547,584
Accounts receivable		4,359,359		2,861,752
Concentrate, powder, APT and ore stockpile inventory (Note 4)		4,187,002		5,476,631
Supplies inventory (Note 18)		3,048,824		2,676,958
Prepaid expenses		532,607		365,415
		13,271,075		22,928,340
Property, plant and equipment (Note 5)		18,584,518		18,864,945
Mineral properties (Note 7)		5,628,353		4,209,229
Other assets				
Funds held in escrow (Note 6 & 12)		3,287,672		2,787,672
Deferred royalty purchases (Note 7 (b))		140,676		158,153
	$	40,912,294	$	48,948,339
LIABILITIES				
Current liabilities				
Bank Borrowings (see note 19)	$	1,466,516	$	189,294
Accounts payable and accrued liabilities (Note 8)		9,996,723		9,838,634
Current portion of equipment loans and capital leases (Note 9)		201,919		298,877
		11,665,158		10,326,805
Reclamation liabilities (Note 10)		3,488,197		3,402,697
Long term equipment loans and obligations under capital leases (Note 9)		1,211,600		1,252,768
		16,364,955		14,982,270
SHARE CAPITAL AND DEFICIT				
Share capital (Note 11(a))		37,494,569		37,911,629
Contributed surplus (Note 11(b))		2,736,707		2,328,144
Deficit		(15,683,937)		(6,273,704)
		24,547,339		33,966,069
	$	40,912,294	$	48,948,339

Going concern (Note 1)
Commitments and contingent liabilities (Notes 12 and 13)
Subsequent events (Note 21)

ON BEHALF OF THE BOARD

"signed"
Stephen M. Leahy

"signed"
Bryce M.A.Porter

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

NORTH AMERICAN TUNGSTEN CORPORATION LTD.

INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS AND DEFICIT

FOR THE THREE AND SIX MONTHS ENDED MARCH 31, 2008 AND 2007

UNAUDITED

	For the three months ended		For the six months ended	
	March 31	March 31	March 31	March 31
(Expressed in Canadian Dollars)	2008	2007	2008	2007
REVENUES				
Tungsten sales (Note 16)	$ 12,471,256	$ 13,949,839	$ 24,257,138	$ 27,691,479
Interest income	24,226	8,222	117,258	15,788
	12,495,482	13,958,061	24,374,396	27,707,267
EXPENSES				
Minesite cost of sales	15,276,546	11,802,090	28,708,669	24,966,599
Freight, handling and storage	559,356	492,969	837,477	734,547
Royalties	126,907	145,360	229,681	269,492
Amortization and depreciation	1,249,592	302,415	2,341,667	854,096
General and administrative (Note 15)	924,733	689,410	1,621,253	1,156,578
Accretion of reclamation liabilities (Note 10)	42,876	29,211	85,500	59,103
Interest & financing costs	36,325	18,992	70,313	41,594
Stock compensation	415,446	425,682	469,149	523,753
Foreign exchange(gain) loss	(158,373)	80,503	(41,294)	(58,987)
Gain on disposal of assets	-	(39,369)	(17,500)	(39,369)
	18,473,408	13,947,263	34,304,915	28,507,406
NET EARNINGS(LOSS) BEFORE UNDERNOTED ITEMS	(5,977,926)	10,798	(9,930,519)	(800,139)
Writedown of mineral property (Note 7)	(102,358)	-	(102,358)	-
NET EARNINGS (LOSS) BEFORE INCOME TAXES	(6,080,284)	10,798	(10,032,877)	(800,139)
Future Income Tax Recovery (see note 20)	622,644	-	622,644	-
NET EARNINGS (LOSS) AND COMPREHENSIVE EARNINGS(LOSS)	$ (5,457,640)	$ 10,798	(9,410,233)	$ (800,139)
DEFICIT-BEGINNING OF PERIOD	(10,226,297)	(5,881,491)	(6,273,704)	(5,070,554)
Net loss for the period	(5,457,640)	10,798	(9,410,233)	(800,139)
DEFICIT-END OF PERIOD	$ (15,683,937)	$ (5,870,693)	$ (15,683,937)	$ (5,870,693)
Net loss per share				
basic and diluted	$ (0.04)	$ -	$ (0.08)	$ (0.01)
basic and diluted	122,591,150	110,249,105	122,591,150	106,426,921

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

NORTH AMERICAN TUNGSTEN CORPORATION LTD.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE THREE AND SIX MONTHS ENDED MARCH 31, 2008 AND 2007

UNAUDITED

	For the three months ended		For the six months ended	
	March 31	March 31	March 31	March 31
(Expressed in Canadian Dollars)	2008	2007	2008	2007
CASH FLOW FROM OPERATING ACTIVITIES				
Net income (loss) for the period	$ (5,457,640)	$ 10,798	$ (9,410,233)	$ (800,139)
Items not affecting cash:				
Accretion of long-term liabilities	4,181	4,181	8,362	8,362
Amortization and depreciation	1,249,592	302,415	2,341,667	854,096
Accretion of reclamation liabilities	42,876	29,211	85,500	59,103
Gain on disposal of assets	-	(39,369)	(17,500)	(39,369)
Future income tax adjustment re flow through share renunciation	(622,644)	-	(622,644)	-
Loss on writedown of mineral properties	102,358	-	102,358	-
Stock based compensation	415,446	425,682	469,149	523,753
	(4,265,831)	732,918	(7,043,341)	605,806
Change in non-cash working capital	877,273	(825,347)	(1,089,058)	611,766
	(3,388,558)	(92,429)	(8,132,399)	1,217,572
CASH FLOW FROM FINANCING ACTIVITIES				
Issuance of capital stock	(626)	2,127,000	144,999	2,161,840
Net increase (decrease) in obligations under capital leases	(73,980)	925,570	(146,488)	893,148
Bank borrowings	1,466,516	-	1,277,222	-
	1,391,910	3,052,570	1,275,733	3,054,988
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments made on funds held in escrow	-	-	(500,000)	(500,000)
Expenditure on mineral property interests	(1,224,381)	(118,164)	(1,521,482)	(233,462)
Proceeds on disposal of assets	-	133,305	17,500	133,305
Purchase of property, plant and equipment	(625,466)	(2,463,857)	(1,543,653)	(3,680,136)
	(1,849,847)	(2,448,716)	(3,547,635)	(4,280,293)
Increase (decrease) in cash and cash equivalents	(3,846,495)	511,425	(10,404,301)	(7,733)
Cash and cash equivalents beginning of period	4,989,778	820,953	11,547,584	1,340,111
Cash and cash equivalents end of period	$ 1,143,283	$ 1,332,378	$ 1,143,283	$ 1,332,378

	March 31 2008	September 30 2007	March 31 2008	September 30 2007
Cash and cash equivalents end of period				
Cash	404,813	1,420,621	404,813	1,420,621
Cash equivalents	738,470	10,126,963	738,470	10,126,963
	$ 1,143,283	$ 11,547,584	$ 1,143,283	$ 11,547,584

Non-cash investing and financing activities (Note 14)

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

1. Nature of Operations and Going Concern:

North American Tungsten Corporation Ltd. (the “Company”) is engaged in tungsten mining and related activities including acquisition, exploration, development and processing of ores and concentrates. The Company owns the operating Cantung mine in the Northwest Territories; the Mactung mineral property on the border of the Yukon Territory and the Northwest Territories; other tungsten exploration prospects; and, through a subsidiary, a development-stage processing facility in Minnesota, USA.

For the six months ended March 31, 2008, the Company had a net loss of $9,410,233. There was an accumulated deficit of $15,683,937 at March 31, 2008. Working capital was $1,605,917 at that date. These circumstances raise substantial doubt about the Company’s ability to continue as a going concern.

The Company’s ability to develop its Mactung property, discharge its liabilities and realize the carrying value of its assets in the normal course of operations is dependent upon, among other things, the raising of additional financing and the success of management’s efforts to achieve targeted production at the Cantung mine. It is not possible to determine with any certainty the success or adequacy of these initiatives. See Subsequent Events Note 18 for details financings.

These consolidated interim financial statements have been prepared using Canadian generally accepted accounting principles (“GAAP”) applicable to a going concern and do not reflect the adjustments to carrying values of assets and liabilities, the reported revenue and expenses and the balance sheet classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

2. Basis of Preparation:

With exception to changes in accounting policies adopted since September 30, 2007 as outlined in note 3 below, these unaudited interim consolidated financial statements have been prepared by the Company in accordance with Canadian GAAP consistent with those used in the preparation of the Company’s audited consolidated financial statements for the year ended September 30, 2007. As these unaudited interim consolidated financial statements do not contain all of the disclosures required by Canadian GAAP, they should be read in conjunction with the notes to the Company’s audited consolidated financial statements for the year ended September 30, 2007.

In the opinion of Management, all adjustments necessary to present fairly the consolidated financial position as at March 31, 2008 and the consolidated results of operations, cash flows and comprehensive income for the three month period then ended have been made. These interim results are not necessarily indicative of the results for a full year.

3. Changes in Accounting Policies:

Effective October 1, 2007, the Company adopted the following accounting standards issued by the Canadian Institute of Chartered Accountants (“CICA”). These new standards have been adopted on a prospective basis with no restatement to prior period financial statements.

(a) Accounting Changes (Section 1506)
This standard establishes criteria for changing accounting policies, together with the accounting treatment and disclosure of changes in accounting policies, changes in accounting estimates and correction of errors. As a result, changes in accounting policies are only permitted when required by a primary source of GAAP or when the change will result in more reliable and more relevant information.

(b) Capital Disclosures (Section 1535)
This standard requires disclosure of an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital and whether the entity has complied with any capital requirements and, if it has not complied, the consequences of such non-compliance.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders, and to bring the Mactung project to commercial production.

The capital structure of the Company currently consists of common shares, flow through common shares and warrants. The Company manages the capital structure and makes adjustments to it in the 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 through private placements, or sell assets to fund operations. The Company is not subject to externally imposed capital requirements.

(c) Financial Instruments – Disclosure (Section 3862) and Presentation (Section 3863)
These standards replace CICA 3861, Financial Instruments – Disclosure and Presentation. They increase the disclosures currently required, which will enable users to evaluate the significance of financial instruments for an entity's financial position and performance, including disclosures about fair value. In addition, disclosure is required of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk. The quantitative disclosures must provide information about the extent to which the entity is exposed to risk, based on information provided internally to the entity's key management personnel.

i) Financial Assets and Financial Liabilities
The Company has financial assets and liabilities which include cash and cash equivalents, funds held in escrow, accounts receivable, accounts payable and obligations under capital leases, the carrying values of which approximate fair values.

ii) Risk Exposure and Risk Management
The Company is exposed in varying degrees to a variety of financial risks. The types of risk exposure and the way in which such exposure is managed is provided as follows:

Foreign Exchange Risk
The Company's revenues from the production and sale of tungsten are denominated in US dollars. However the Company's operating expenses are primarily incurred in Canadian dollars and its liabilities are primarily denominated in Canadian dollars. The results of the Company's operations are subject to currency transaction risk and currency translation risk. The operating results and financial position of the Company are reported in Canadian dollars in the consolidated financial statements. The fluctuation of the US dollar in relation to the Canadian dollar will consequently have an impact upon the profitability of the Company and may also affect the value of the Company's assets and the amount of shareholders' equity. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

Credit Risk
The Company is exposed to credit-related losses in the event of non-performance by counterparties to the financial instruments. Credit exposure is minimized by dealing with only credit worthy counterparties. Accounts receivable for the three primary customers total $5,050,986 at March 31, 2008 (September 30, 2007 - $1,879,736).

Interest Rate Risk
For financial assets, the Company's policy is to invest cash at floating rates of interest and cash reserves are to be held in short term deposits in order to maintain liquidity, while achieving a satisfactory return for shareholders. Fluctuations in interest rates impact on the value of cash equivalents and reclamation deposits. At March 31, 2008 $738,470 of bankers' acceptances carried interest rates of 4.45% to 4.65% (September 30, 2007 - $10 million of bankers' acceptances – 4.78% to 5.15%).

For financial liabilities, interest is payable on equipment loans and capital leases at fixed rates ranging from 7.50% to 10.35% and as such these payments are not subject to fluctuations in interest rate.

Liquidity Risk
The Company ensures that there is sufficient capital in order to meet short term business requirements, after taking into account cash flows from operations and the Company's holdings of cash and cash equivalents. The Company's cash and cash equivalents are invested in business accounts and bankers' acceptances which are available on demand for the Company's programs and are not invested in any asset backed deposits or investments.

Commodity Price Risk
The value of the Company's mineral resource properties is related to the price of tungsten. The Company does not have any hedging or other commodity based risks respecting its operations.

Tungsten prices historically have fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, supply and demand, forward sales by producers and speculators, levels of worldwide production and short-term changes in supply and demand because of speculative hedging activities The profitability of the Company's operations is highly correlated to the market price of tungsten. If metal prices decline for a prolonged period below the cost of production of the Company's mine, it may not be economically feasible to continue production.

4. Stockpile and Concentrate Inventory :

	March 31, 2008	September 30, 2007
Ore	$ 344,234	$ 449,842
Concentrate	3,588,269	4,745,952
Powder	252,641	221,879
APT	1,858	58,958
	$ 4,187,002	$ 5,476,631

5. Property, Plant & Equipment

	Cost	Accumulated Amortization	March 31, 2008 Net	March 31, 2007 Net
Canadian deferred mining costs	7,883,730	(6,943,261)	940,469	1,944,928
U.S. deferred development costs	1,753,331	-	1,753,331	1,252,496
U.S. plant and equipment	3,161,921	-	3,161,921	2,712,309
Canadian plant and equipment	25,210,738	(12,481,941)	12,728,797	10,611,977
	$ 38,009,720	$ (19,425,202)	$ 18,584,518 $	$ 16,521,710

	Cost	Accumulated Amortization	September 30, 2007 Net	September 30, 2006 Net
Canadian deferred mining costs	7,883,730	(6,632,382)	1,251,348	2,161,455
U.S. deferred development costs	1,251,237	-	1,251,237	512,066
U.S. plant and equipment	3,050,840	-	3,050,840	2,101,914
Canadian plant and equipment	23,956,150	(10,644,630)	13,311,520	8,998,942
	$ 36,141,957	$ (17,277,012)	$ 18,864,945	$ 13,774,377

U.S. plant and equipment is in the development stage.

6. Funds Held in Escrow:

Funds are held in escrow to secure mine reclamation obligations under the water license for the Cantung mine issued by the Mackenzie Valley Land and Water Board.

7. Mineral Property Interests:

The following table summarizes the Company's interest in mineral properties as at March 31, 2008

	Mactung Property Yukon & NWT Canada	Three (3) Ace Claims Yukon Canada	Rifle Range Creek Property, NWT Canada	Bailey Claims, Yukon Canada	Sheet Mountain NWT Canada	Total
Acquisition Costs						
Balance September 30, 2007 and March 31, 2008	$ 587,475	$ 43,000	$ -	$ 9,095	$ -	$ 639,570
Exploration Costs						
Balance September 30, 2007	$ 3,278,218	$ 59,358	$ 215,764	$ 14,219	$ 2,100	$ 3,569,659
Feasability Study	142,906					142,906
Geologists	4,012					4,012
Engineering Contractors	43,032					43,032
Drilling Contract					750	750
Geotechnical Contractor	32,780					32,780
Maps and Reports	27,145					27,145
Cat & Excavator Rentals	79,847					79,847
Vehicle Rentals	3,755					3,755
Vehicle Maintenance	2,965					2,965
Communications	669					669
Office Supplies	615					615
License and Permits	715					715
Diesel & Fuel	342					342
Travel & Accommodation	14,075					14,075
Legal	1,338					1,338
Aircraft Charters	21,561					21,561
Freight	5,022					5,022
Engineering Consultants	1,041,869					1,041,869
Environmental Consultants	108,165					108,165
Claim Staking Contractor	715			1,953		2,668
Survey Contractor	26,593					26,593
Small Tools & Consumables	70				(411)	(341)
Camp Costs	1,000					1,000
Exploration costs YTD	1,559,190	-	-	1,953	339	1,561,483
Total Exploration Costs	4,837,408	59,358	215,764	16,172	2,439	5,131,141
Exploration Incentive	(40,000)	-	-	-	-	(40,000)
Write down		(102,358)	-	-	-	(102,358)
Balance March 31, 2008	$ 5,384,883	$ -	$ 215,764	$ 25,267	$ 2,439	$ 5,628,353

The carrying value of the Jennings property is $ nil.

a. Mactung – Canada

The Mactung mineral leases, located on the border of the Yukon Territory and the Northwest Territories, are held under 160 mineral lease agreements and claims with an annual cost of $19,300.

b. Deferred Royalty Purchases

On January 31, 2005 the Company entered into an Amended Royalty Agreement on the Mactung Property with ((“Aur”) (now Teck Cominco Limited). For $100,000 Aur granted the Company the right and option (the “Option”) to reduce the Mactung Royalty from a 4% net smelter return royalty interest to a 1% net smelter return royalty interest, such Option to be exercisable by the Company upon:

Paying to Aur an additional $1,000,000 by the earlier of:

- March 30, 2015; and
- 60 days after the receipt of a water license issued in connection with any proposed development of the properties (as such term is defined in the Mactung Royalty Agreement) for mineral production.

If the Company has not exercised the Option by March 30, 2010, it must pay an additional $200,000 to Aur in order to maintain its right to the Option. The $100,000 paid by the Company has been treated as a deferred royalty and will be amortized over the life of the mine once the Mactung property is brought into production. The balance at March 31, 2008 was $100,000 (September 30, 2007 - $100,000)

A similar payment of $125,000 was made to reduce the Cantung mine royalty from 4% to 1% and the payment is being amortized over the remaining life of the Cantung mine. The balance at March 31, 2008 was $40,676 (September 30, 2007 - $58,153)

c. Three (3) Ace Claims - Yukon

On February 15, 2005 (amended Feb 8, 2007) the Company entered into a formal option agreement with Alex McMillan (“McMillan”). McMillan granted the Company an option to acquire 100% interest in thirty eight separate precious metal mining claims (collectively referred to as the “3 Ace Claims”) located on the Nahanni Range Road north of Watson Lake. This option expired in March 2008 and all associated costs with this option were written off at that time.

d. Rifle Range Creek – NWT

In fiscal 2006, the Company staked two claims (63 units) in an area four miles northeast of the Cantung mine, NWT. The claims which are contiguous with the mine property are in a glaciated region on the upper reaches of Rifle Range Creek.

e. Jennings (formerly Tootsee River Property) – Yukon

The Jennings property interest has been optioned by Agnico Eagle Mines Limited. Agnico-Eagle Mines Limited exercised its option to increase its interest in the Jennings tungsten/molybdenum property from 50% to 70% via C$4 million in exploration expenditures by December 31, 2010. The Jennings property agreement was established on April 25, 2006 whereby Agnico agreed to spend C$400,000 on exploration to acquire an initial 50% of the Jennings tungsten/molybdenum property (formerly the Tootsee River property) located on the BC-Yukon border about 85 kilometers west of Watson Lake, Yukon, Canada. North American Tungsten may elect to form a participating Joint Venture or convert its 30% working interest to a 2.5% NSR from two months after Agnico has fulfilled its C$4 million expenditure requirement.

8. Related Party Transactions:

During the six month period ended March 31, 2008, office equipment rental and purchases of $8,240 (six months ended March 31, 2007 - $20,180) were transacted with an officer of the Company.

9. Obligations under Equipment Loans and Capital Leases:

	March 31, 2008	September 30, 2007
Obligations under equipment loans and capital leases	$ 1, 220,369	$ 1,366,857
Billiton loan provision (see note 12)	193,150	184,788
	1,413,519	1,551,645
Current portion of equipment loans and capital leases	(201,919)	(298,877)
Long term equipment loans and obligations under capital leases	$ 1,211,600	$1,252,768

The maturity dates range from September 2008 to March 2012, with interest rates ranging from 7.50% to 10.35%.

10. Reclamation Liabilities:

The asset retirement obligations have been recorded as a liability at fair value. The updated estimate assumes a credit adjusted risk-free discount rate of 4.19% in 2007 (5.57% - 2006) and an inflation factor of 2.24% (2.188% - 2006). The liability estimate for retirement and remediation on an undiscounted basis before an inflation factor of 2.24% is $3,644,331.

In fiscal 2007, there were significant additions to facilities for containing tailings from the ore processing operation at the Cantung mine. The reclamation liabilities have been increased by the estimated fair value of the eventual cost of reclaiming these additions to facilities

		March 31, 2008		September 30, 2007
Opening asset retirement obligation	$	3,402,697	$	2,097,709
Total accretion during the period		85,000		119,305
Addition for new facilities		-		1,185,683
Closing asset retirement obligation	$	3,488,197	$	3,402,697

11. Share Capital:

a. Capital Stock

An unlimited number of common shares without par value are authorized.

Issued	Number of Shares		Consideration
September 30, 2007	122,348,425	$	37,911,629
Exercise of options	308,300		145,625
Flow through share renunciation tax effect			(622,644)
Share Issue Costs			(626)
Reallocation of fair value related to options exercised			60,585
March 31, 2008	122,656,725	$	37,494,569

b. Shareholders' Equity

	Shares		Capital Stock		Contributed Surplus		Deficit		Total
September 30, 2007	122,348,425	$	37,911,629	$	2,328,144	$	(6,273,704)	$	33,966,069
Exercise of stock options	308,300		145,625		-		-		145,625
Reallocation of fair value related to options exercised	-		60,585		(60,585)		-		-
Stock based compensation	-		-		100,350		-		100,350
Cancellation of options	-		-		(46,647)		-		(46,647)
Net loss	-		-		0		(3,952,593)		(3,952,593)
December 31, 2007	122,656,725	$	38,117,839	$	2,321,262	$	(10,226,297)	$	30,212,804
Stock based compensation	-		-		455,277		-		455,277
Flow through share renunciation tax effect			(622,644)						(622,644)
Cancellation of options	-		-		(39,832)		-		(39,832)
Share issue costs			(626)						(626)
Net loss	-		-		-		(5,457,640)		(5,457,640)
March 31, 2008	122,656,725	$	37,494,569	$	2,736,707	$	(15,683,937)	$	24,547,339

c. Stock Options:

During the six months ending March 31, 2008 there were 540,000 options granted to employees with exercise prices ranging from $1.20 to $1.49. All issues expire five years after the grant date. The option valuation for the issues was calculated using the Black-Sholes option pricing model based on an average expected option life of 2.5 years (September 30, 2007-2.5 years), a dividend yield of 0% (September 30, 2007– 0%), a risk free interest rate ranging from 3.77% to 4.10% (September 30, 2007– 3.97%), and an expected volatility ranging from 67% to 71% (September 30, 2007– 58% to 69%)

No of Options Outstanding as of Dec. 31, 2007	Exercised	Granted	Canceled	No of Options Outstanding as of Mar. 31, 2008	Exercise Price	Expiry Date	*Options Exercisable
2,030,000				2,030,000	$0.12	14-May-09	2,030,000
100,000				100,000	$0.12	29-Jun-09	100,000
100,000				100,000	$0.23	1-Feb-10	100,000
3,075,000				3,075,000	$1.08	24-May-10	3,075,000
100,000				100,000	$1.50	22-Jun-10	100,000
150,000				150,000	$1.85	17-Aug-08	150,000
50,000				50,000	$1.26	22-Aug-10	50,000
140,000				140,000	$1.15	9-Nov-10	140,000
200,000				200,000	$1.76	31-Jan-11	200,000
350,000				350,000	$0.88	20-Sep-11	262,500
50,000				50,000	$0.70	27-Oct-11	50,000
400,000				400,000	$0.65	10-Jan-12	300,000
1,451,700			16,668	1,435,032	$1.25	19-Mar-12	1,435,032
125,000				125,000	$1.41	16-Apr-12	62,500
250,000			25,000	225,000	$1.28	14-Jun-12	166,666
175,000				175,000	$1.39	18-Jul-12	116,666
140,000			26,667	113,333	$1.49	6-Nov-12	46,666
0		200,000		200,000	$1.30	2-Jan-08	66,666
0		200,000		200,000	$1.20	31-Mar-08	-
8,886,700	0	400,000	68,335	9,218,365			8,451,696

* Options Exercisable – the number of vested stock options that are eligible for exercise.

Subsequent to March 31, 2008, 50,000 options were granted at an exercise price of $1.20 with an expiry date of April 2013.

The outstanding options have a weighted-average exercise price of $ .91 and the weighted-average remaining life of the options is 2.58 years.

d. Warrants Outstanding

The following table shows the warrants outstanding at March 31, 2008

No. of Warrants Outstanding as of Dec. 31, 2007	Granted	Exercised	Expired	No. of Warrants Outstanding as of Mar. 31, 2008	Exercise Price	Expiry Date	Warrants Exercisable
447,126				447,126	$1.40	29-May-08	447,126
447,126	-	-	-	447,126			447,126

On May 29, 2007 the Company issued 461,400 Agents Warrants to Haywood Securities Inc. Each warrant is exercisable into one common share at $1.40 and the warrants expire on May 29, 2008. 14,274 warrants were exercised on September 21, 2007 at $1.40 per share.

Warrants are valued using the Black Scholes method. The following assumptions were used; dividend yield of 0% (2006 – 0%), credit adjusted risk free interest rate 4.33% (2006 – 3.2%); expected life of 1 year (2006 – 2-2.4 years); and expected volatility of 64% (2006 – 60%). Warrants are included in contributed surplus until exercised at which time they are transferred into share capital.

12. Commitments:

Water License

The water license for operations at the Cantung mine issued by the Mackenzie Valley Land and Water Board currently covers a period of five years expiring November 29, 2008. Renewal is anticipated prior to that date. Over the period of the license and in accordance with the Reclamation Security Agreement schedule, the Company must issue promissory notes, secured generally over all the assets of the Company, and place funds in escrow. As required by the license, as of March 31, 2008 the Company had issued $4,700,000 (September 30, 2007 - $4,200,000) of principal value of these promissory notes and placed funds totaling $3,200,000 (September 30, 2007-$2,700,000) in escrow. (see note 6)

The Reclamation Security Agreement provides for the cash component payable to the Department of Indian Affairs and Northern Development to increase under certain events, and further provides for $500,000 of the promissory notes to be replaced by $500,000 in cash or letter of credit on November 30, 2008.

Office Lease

On August 15, 2007 the Company entered into a new lease for office space effective January 1, 2008. The lease term is for 5 years effective January 1, 2008 and payments will total $15,405 per month for the first two years increasing to $15,720 per month in 2010, $16,454 per month in 2011 and $ 16,979 in 2012. Commitments under a previous office lease were cancelled.

Smelter Royalties

The Cantung Mine is subject to a 1% net smelter royalty payable to Aur Resources Inc. (now Teck Cominco Limited).

Billiton Loan

On April 15, 1982 Amax entered into an agreement with Billiton (UK) Limited to borrow £888,114 ($2,157,851 Cdn.) to finance project costs incurred on the Hemerdon Property during January 1982. The loan is interest free and is due on December 31, 2032. The Company has accrued $193,150 as at March 31, 2008 to recognize the future loan obligation. The accrued balance increases by 10% each year. This loan is non-recourse to North American Tungsten Corporation Ltd.

Mactung Options

The Company is committed to payments under option agreement as disclosed in note 7(b).

13. Contingencies:

Pursuant to agreements with officers, in the event of their contracts being terminated, the Company would be liable for payments totaling $1,767,500 (2006-$994,000).

Pursuant to contracts with directors, in the event of a change in control of the Company, the Company would be liable for payments totaling $350,000 (2006-$180,000).

14. Supplemental Cash Flow:

(Expressed in Canadian Dollars)	For the three months ended March 31 2008	For the three months ended March 31 2007	For the six months ended March 31 2008	For the six months ended March 31 2007
Changes in non-cash working capital				
Accounts receivable	$ (501,197)	$ (74,091)	$ (1,497,607)	$ 2,489,959
Prepaid expense	227,900	(71,912)	(167,192)	12,791
Supplies inventory	(226,640)	(230,683)	(371,866)	(140,678)
Concentrate, powder, APT and ore stockpile inventory	1,132,159	(839,990)	1,289,629	(628,226)
Accounts payable and accrued liabilities	245,051	(79,099)	(342,022)	(1,603,127)
Accounts payable to related parties	-	470,428	-	481,047
Change in non-cash working capital	$ 877,273	$ (825,347)	$ (1,089,058)	$ 611,766
Supplemental information				
Interest paid	$ 32,144	$ 14,811	$ 61,951	$ 33,232

15. General & Administrative:

	For the three months ended March 31		For the six months ended March 31	
	2008	2007	2008	2007
GENERAL AND ADMINISTRATIVE				
Fees, wages and benefits	$ 520,373	$ 366,689	$ 964,186	$ 633,858
Office expenses	126,618	65,713	201,382	112,886
Filing fees and transfer agent fees	74,092	26,208	76,200	41,902
Accounting and audit	90,931	57,000	138,931	64,500
Investor relations & business development	18,779	97,884	96,095	118,296
Consulting	46,080	31,555	57,704	78,357
Travel	38,758	22,345	55,963	52,292
Legal fees	9,102	22,016	30,792	54,487
	$ 924,733	$ 689,410	$ 1,621,253	$ 1,156,578

16. Sales and Economic Dependence:

Sales to three customers accounted for 94% of sales made in the six months ending March 31, 2008 and 89% of the sales in the six months ending March 31, 2007.

17. Segmented Information:

The Company operates two business segments in two different geographical areas. The primary business is the development and operation of tungsten mines in Canada. The second business segment is the research and development of an advanced intermediary and ammonium paratungstate plant in the United States.

The Company has invested cash and concentrates into the Delaware company, Tungsten Joint Venture, which has constructed a pilot plant. The technology developed for the pilot plant should allow for the production of tungsten intermediaries. If the pilot plant proves to be successful, the Company may enter into a Joint Venture agreement to construct a full scale commercial operation.

Tungsten Joint Venture (CDN $)

		March 31, 2008		September 30, 2007
Cash	$	3,919	$	1,084
Inventory		389,546		524,551
Development Costs		1,753,331		1,251,237
Plant and Equipment		3,161,921		3,050,840
	$	5,308,717	$	4,827,712

The geographical distribution of the Company's property, plant and equipment and external sales revenue is as follows, with revenue attributed to regions based on the location of the customer. All external sales revenue is generated by Canadian operations.

Property, Plant, Equipment		March 31, 2008		September 30, 2007
Canada	$	13,275,801		14,562,868
United States		5,308,717		4,302,077
Asia		-		-
Europe		-		-
Other		-		-
	$	18,584,518	$	18,864,945

Sales		March 31, 2008		March 31, 2007
Canada	$	-		-
United States		6,915,612		12,477,159
Asia		13,954,479		12,242,699
Europe		3,387,047		1,880,457
Other		-		1,091,164
	$	24,257,138	$	27,691,479

18. Supplies Inventory:

		March 31, 2008		September 30, 2007
Fuel, Reagents and Explosives		1,317,826		745,085
Other Supplies		1,730,998		1,931,873
	$	3,048,824	$	2,676,958

19. Bank Borrowings:

On October 4, 2006 the Company was granted a working line of credit in the amount of $1,000,000 to finance ongoing working capital requirements. The amount of the available line of credit was raised to $2,500,000 in March 2008 and the interest rate was reduced to prime plus 1%.The loan is payable on demand and minimum monthly payments consist of interest only. Security over the line is provided by general security agreements over all assets, guarantee by Export Development Canada, general assignment of book debts, and assignment of accounts receivable and insurance.

20. Future Income Tax Adjustment:

Flow-Through Shares Issuances

The tax effect of flow-through share issuances is booked upon renunciation (February 2008), therefore the full amount has been recorded in the current period.

Tax deduction renounced to investors	$	1,999,500
Federal tax rate (Average federal rate 2008 & 2009)		19.7%
NWT tax rate		11.5%
		31.2%
Future income tax	$	622,644

21. Subsequent Events:

(a) In April 2008, borrowings totalling $3,000,000 were made under a loan facility provided by parties unrelated to the Company. On requests for whole or partial repayment by lending parties (the "Redemption Notices"), borrowings must be repaid within 30 days following the closing of the Hunan Financing (see 18(b)). Borrowings not so redeemed must be repaid on the anniversary of the date on which funds were advanced.

Based on the ratio of one warrant/$10 redeemed, up to 300,000 warrants will be issued to lending parties upon receipt of Redemption Notices. Each warrant permits the purchase of one common share at $1.30/share for a period of two years. The interest rate on outstanding borrowings is 10% per annum .

(b) Hunan Nonferrous controls the largest tungsten and bismuth reserves in the world and also substantial reserves of antimony. Hunan will acquire approximately 13.4 million units of North American Tungsten (NTC) at a price of $1.45 per unit on a private placement basis as part of a Strategic Alliance Agreement. Each unit is comprised of one common share and one common share purchase warrant that will allow Hunan Nonferrous to purchase one common share at $3.00 per share for a period of 18 months from the date of closing. Upon closing of the private placement Hunan Nonferrous will own approximately 9.9% of the issued and outstanding shares of NTC. The key terms of the Strategic Alliance Agreement include:

1. Board Seat: Hunan will retain one board seat as long as the company maintains a minimum threshold of 9% of the issued and outstanding common shares of NTC (“Threshold Ownership”).
2. Pro-Rata Financing: Provided that Hunan Nonferrous maintains its Threshold Ownership prior to any new issuance of NTC common shares (or securities convertible for NTC common shares) NTC will give Hunan Nonferrous the right to purchase and match Hunan Nonferrous' beneficial ownership prior to the issuance.
3. Standstill: Hunan Nonferrous is subject to one year standstill period whereby Hunan Nonferrous cannot purchase any NTC common shares other than under certain specified circumstances including the Pro-Rata Financing provision or with the prior consent of NTC.
4. Hold Period: Hunan Nonferrous will be restricted from the transfer or sale of any NTC common shares or warrants for a period of one year, except under certain pre-specified circumstances, including tendering into a takeover bid.
5. Right to Match on Mactung: Provided that Hunan Nonferrous maintains its Threshold Ownership of NTC common shares, if NTC intends to proceed with a transaction that will result in (a) the establishment of a separate project entity with a Third Party for the purposes of the development of the Mactung Property or (b) the financing of the development of the Mactung Property by a Third Party concurrent with committing to off-take arrangements for the Mactung Property with the same Third Party, NTC will offer Hunan the right to match the proposed Transaction on the same terms as the Third Party.

At this time there is no definitive closing date.