

Interim Consolidated Financial Statements of

ROMARCO MINERALS INC.

(an exploration stage company)

For the three months ended March 31, 2008
(Unaudited)

ROMARCO MINERALS INC.

(an exploration stage company)

Interim Consolidated Balance Sheets

(Unaudited)

Canadian \$

	March 31, 2008	December 31, 2007
Assets		
Current assets:		
Cash and cash equivalents	\$ 5,399,046	\$ 3,191,085
Accounts receivable	82,007	70,291
Prepaid expenses	137,852	34,351
Other assets	140,569	124,303
	<u>5,759,474</u>	<u>3,420,030</u>
Mineral property interests (note 4)	7,913,261	6,605,579
Property, plant and equipment (note 5)	523,749	451,080
Reclamation bonds	3,503,236	3,346,941
Security deposit	10,736	5,403
	<u>\$ 17,710,456</u>	<u>\$ 13,829,033</u>

Liabilities and Shareholders' Equity

Current Liabilities:		
Accounts payable and accrued liabilities	\$ 665,396	\$ 653,813
Asset retirement obligations (note 7)	492,902	601,662
Long-term liabilities:		
Asset retirement obligations (note 7)	1,567,926	1,549,849
	<u>2,726,224</u>	<u>2,805,324</u>
Shareholders' equity:		
Share capital (note 6(a))	46,778,373	46,778,373
Equity subscription receipts (note 6(a))	4,648,442	-
Warrants (note 6(b))	2,652,560	2,652,560
Stock options (note 6(c))	1,176,384	1,076,974
Contributed surplus	672,446	672,446
Deficit	(40,943,973)	(40,156,644)
	<u>14,984,232</u>	<u>11,023,709</u>
	<u>\$ 17,710,456</u>	<u>\$ 13,829,033</u>

Measurement uncertainty (note 4)

Commitments (note 11)

Subsequent events and contingency (note 13)

See accompanying notes to consolidated financial statements

Approved on behalf of the Board:

"Diane Garrett"

Director

"R. J. MacDonald"

Director

ROMARCO MINERALS INC.

(an exploration stage company)

Interim Consolidated Statements of Operations, Comprehensive Loss and Deficit (Unaudited)

Canadian \$

	For the three months ended March 31,	
	2008	2007
General and administrative expenses:		
Amortization	23,255	8,209
Audit and accounting	12,000	10,000
Consulting fees	6,900	83,678
Insurance	16,565	15,952
Legal fees	58,020	105
Office, rent and communication	75,593	81,530
Salaries	302,498	354,636
Shareholder relations and transfer agent	86,487	41,102
Stock based compensation	89,789	183,150
Travel	74,698	54,661
Vehicle	3,595	4,705
Accretion expense	24,103	-
Other	11,360	1,328
	784,863	839,056
Other income (expense):		
Interest Income	55,528	66,006
Financing fees	(150,000)	-
Gain (loss) on foreign exchange	92,006	(24,268)
	(2,466)	41,738
Net Loss and Comprehensive Loss for the period	(787,329)	(797,318)
Deficit, beginning of period	(40,156,644)	(33,470,103)
Deficit, end of period	\$ (40,943,973)	\$ (34,267,421)
Loss per share		
- basic and diluted	\$ (0.01)	\$ (0.01)
Weighted average number of shares outstanding	120,905,612	92,778,821

See accompanying notes to consolidated financial statements

ROMARCO MINERALS INC.

(an exploration stage company)

Interim Consolidated Statements of Cash Flows

(Unaudited)

Canadian \$

	For the three months ended March 31,	
	2008	2007
Cash provided by (used in):		
Operating activities:		
Net Loss and Comprehensive Loss for the period	\$ (787,329)	\$ (797,318)
Items not involving cash:		
Amortization (note 5)	23,255	8,209
Accretion expense	24,103	-
Stock based compensation	89,789	183,150
Interest on reclamation bonds	(36,555)	-
Unrealized foreign exchange translation on reclamation bonds	(119,740)	-
Long term deposit on office lease	(5,333)	(4,330)
Settlement of asset retirement obligation	(114,786)	-
Change in non-cash working capital (note 10)	(382,173)	(111,192)
	(1,308,769)	(721,481)
Financing activities:		
Proceeds from equity subscription receipts	4,648,442	-
Proceeds from issue of shares on exercise of warrants	-	67,830
	4,648,442	67,830
Investing activities:		
Mineral property interests	(1,035,788)	(659,687)
Reclamation bonds	-	1,062
Property, plant and equipment (note 5)	(95,924)	(77,351)
	(1,131,712)	(735,976)
Increase (decrease) in cash and cash equivalents	2,207,961	(1,389,627)
Cash and cash equivalents at beginning of period	3,191,085	7,212,203
Cash and cash equivalents at end of period	\$ 5,399,046	\$ 5,822,576
Supplementary information:		
Issuance of common shares for:		
- mineral property interests	\$ -	\$ 171,348
Increase in accounts payable and accrued liabilities - mineral properties	\$ 262,273	\$ 14,671

See accompanying notes to consolidated financial statements

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Notes to Interim Consolidated Financial Statements

(Unaudited)

For the months ended March 31, 2008

Canadian \$

1. Nature of operations

Romarco Minerals Inc. (the "Company" or "Romarco") is incorporated under the laws of British Columbia and at March 31, 2008, its principal business activities are the acquisition, exploration and development of mineral properties. To date, the Company has not earned significant revenues from any of its properties.

At March 31, 2008, the Company is in the process of developing its mineral properties and has not yet determined whether its mineral properties contain resources that are economically recoverable. The underlying value of the Company's mineral properties and the recoverability of the related deferred costs is entirely dependent on the existence of economically recoverable resources in its mineral properties and the ability of the Company to obtain the necessary financing to complete development and upon future profitable production from or the proceeds from the disposition of its mineral properties.

2. Accounting policies

Basis of presentation

The consolidated financial statements have been prepared using Canadian generally accepted accounting principles ("Canadian GAAP") for its interim financial statements and include the accounts of Romarco Minerals Inc. and its wholly owned subsidiaries, Romarco Minerals US Inc., Haile Gold Mine Inc., Romarmex S.A. de C.V. and Exploraciones Santo Tomas S.A. de C.V., (companies incorporated under the laws of Mexico). All significant inter-company transactions are eliminated upon consolidation.

In addition, the accounting policies followed by the Company are set out in note 2 of the audited consolidated financial statements for the year ended December 31, 2007 and have been followed in the preparation of these consolidated financial statements, with the exception of the new accounting policies adopted in the period as outlined below.

Effective January 1, 2008 the Company adopted the following CICA standards for Romarco's first quarter:

Section 1535: Capital disclosures

This section specifies the disclosure of (i) an entity's objectives, policies, and processes for managing capital; (ii) quantitative data about what the entity manages as capital; (iii) whether the entity has complied with any capital requirements during the period; and (iv) if the Company has not complied, the consequences of such non-compliance. This new disclosure requirement is summarized in note 12.

Section 3862 and 3863: Financial instruments - disclosures and presentation

These sections enhance the disclosure standards to enable financial statement users to evaluate the significance of financial instruments on the Company's financial position, performance and cash flows as well as the nature and extent of risks arising from financial instruments that the Company is exposed and how the Company manages these risks. These new standards have superseded CICA Handbook Section 3861, Financial instruments – disclosure and presentation. Note 3 provides the required disclosure under these new accounting standards.

3. Financial instruments and related risks

The Company was required to designate its financial instruments into one of the following five categories: held-for-trading; available-for-sale; held-to-maturity; loans and receivables; and other financial liabilities. All financial instruments are to be initially measured at fair value. Financial instruments classified as held-for-trading or available-

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for-sale are subsequently measured at fair value with any change in fair value recorded in net earnings and other comprehensive income, respectively. All other financial instruments are subsequently measured at amortized cost. All derivative financial instruments, including derivative features embedded in financial instruments or other contracts but which are not considered closely related to the host financial instrument or contract, are generally classified as held-for-trading and, therefore, must be measured at fair value with changes in fair value recorded in net earnings. However, if a derivative financial instrument is designated as a hedging item in a qualifying cash flow hedging relationship, the effective portion of changes in fair value is recorded in other comprehensive income. Any change in fair value relating to the ineffective portion is recorded immediately in net earnings.

Romarco has designated its financial instruments as follows:

- Cash and cash equivalents, and short-term investments are classified as "Available-for-Sale" and are recorded at fair value.
- Accounts receivables, other assets and reclamation bonds are classified as "Loans and Receivables". These financial assets are recorded at values that approximate their amortized cost using the effective interest method; and
- Accounts payable and accrued liabilities are classified as "Other Financial Liabilities." These financial liabilities are recorded at values that approximate their amortized cost using the effective interest method.
- The book value of accounts receivables, other assets, reclamation bonds, accounts payables, and accrued liabilities approximate their fair value due to the short term nature of the instruments.

The Company's financial instruments are exposed to certain financial risks, including currency risk, interest risk, and price risk.

Currency risk

The Company is exposed to financial risk related to foreign exchange rates. The Company operates in Canada, United States, and Mexico. As at March 31, 2008 the Company conducts the majority of its business in the United States and project development expenditures are expected to be paid in U.S. dollars and any future equity raised is expected to be in Canadian dollars. A significant change in the currency exchange rates between the Canadian dollar and the US dollar could have an effect on the Company's results of operations, and the jurisdictions in which they will likely be made. At March 31, 2008 the company is exposed to currency risk through the following assets and liabilities denominated in US dollars:

(US Dollars)	31-Mar-08	31-Dec-07
Cash and cash equivalents	\$ 349,523	\$ 1,202,625
Other assets	30,700	4,323
Reclamation bonds	3,413,089	3,376,315
Accounts payables and other liabilities	(325,318)	(505,707)

Based on the above net exposures as at March 31, 2008, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the US dollar would result in an increase/decrease of approximately \$356,000 in the Company's net earnings.

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Credit risk

Credit risk is the risk of unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash equivalents are held at a large Canadian financial institution. These short-term investments (presented as part of cash and cash equivalents) are composed of financial instruments issued by a Canadian bank and are easily liquidated, as they mature daily. The company has no investments in asset-backed commercial paper.

The Company's accounts receivable and prepayments consist mainly of prepaid expenses and GST receivable due from the Federal Government of Canada.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined in note 12 in the unaudited interim consolidated financial statements. Accounts payables and accrued liabilities are due within the current operating period.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments included in cash and cash equivalents is limited as these investments, although available for sale, roll over daily.

The risk that the Company will realize a loss as a result of a decline in the fair value of the reclamation bonds is limited because these bonds are held until maturity, have a fixed interest rate and may be renewed annually.

Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken.

4. Mineral Property Interests

	Balance	Expenditures for quarter ended	Balance
	31-Dec-07	31-Mar-08	31-Mar-08
Pinos Gold District, Mexico			
Acquisition, advance royalty and land holding costs	\$ 414,238	\$ 61,005	\$ 475,243
Exploration:			
Drilling	442,819	-	442,819
Data compilation	-	53,304	53,304
Geological and geochemistry	13,330	-	13,330
Assaying	47,460	44,210	91,670
Logistics, permitting and reporting	354,748	33,892	388,640
	\$ 1,272,595	\$ 192,411	\$ 1,465,006
Pine Grove, Nevada			
Acquisition and land holding costs	\$ 310,153	\$ 65,131	\$ 375,284
Exploration:			
Aerial photography	2,280	-	2,280
Data compilation	7,900	-	7,900

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Drilling	957,222	478	957,700
Geological and geochemistry	51,222	7,477	58,699
Logistics, permitting and reporting	76,282	41	76,323
Provision for reclamation costs	17,583	-	17,583
	\$ 1,422,642	\$ 73,127	\$ 1,495,769
Haile Gold Mine			
Acquisition of Mineral property	\$ 3,255,258	\$ -	\$ 3,255,258
Other land acquisition and holding costs	214,900	20,041	234,941
Exploration:			
Drilling	78,564	122,950	201,514
Geological and geochemistry	2,622	20,600	23,222
Permitting	13,887	-	13,887
Environmental	180	-	180
Feasibility	165,920	633,685	799,605
Office	54,508	238,095	292,603
Property maintenance	6,729	6,781	13,510
	\$ 3,792,568	\$ 1,042,152	\$ 4,834,720
Golden Zebra, Nevada			
Acquisition and land holding costs	\$ 110,600	\$ (8)	\$ 110,592
Exploration:			
Geological and geochemistry	5,558	-	5,558
Logistics, permitting and reporting	1,616	-	1,616
	\$ 117,774	(8)	\$ 117,766
	\$ \$6,605,579	\$ \$1,307,682	\$ \$7,913,261

Pinos Gold District, Mexico

In January 2008, the Company paid an advance minimum royalty payment of \$60,000 US in accordance with the Pinos Property agreement with Mineral Apolo SA de CA.

Pine Grove, Nevada

In March 2008, the Company paid an advance minimum royalty payment of \$45,000 US and a property payment of \$20,000 US in accordance with the Pine Grove Property agreement with the owners of Toquima Minerals US Inc.

Measurement uncertainty

A Wilderness Legislation proposal was submitted whereby a significant amount of land in the Walker Land District in the State of Nevada would be set aside for wilderness use. Currently the Company's Pine Grove project, which is classified as federal land with the US Forest Service is located in the Walker Land District. A portion of the Pine Grove property is included in the land area being proposed for wilderness use. The Company is unable to determine whether the legislation proposed will be successful. No adjustments have been made to these financial statements to reflect the potential impairment, if any, of the Pine Grove project if the legislation is successful. Such adjustments may be material.

Haile Gold Mine

On October 16, 2007, Romarco completed the acquisition of the Haile Gold Mine in South Carolina a subsidiary of Kinross Gold Corporation. Romarco established a wholly owned Delaware Corporation subsidiary, Haile Gold Mine Inc., to hold the Haile Gold Mine asset. The terms of the agreement with Kinross included the issuance of 5,000,000 common shares of the Company valued at \$0.24 (closing date price), the assumption of the financial assurance

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bonding \$3,162,482 (US\$3,242,800) and reclamation obligations; and a commitment per ounce payment to Kinross on new reserve ounces delineated on its property only (US\$3 per ounce on reserves identified between 1 and 3 million ounces and US\$5 per ounce on reserves identified between 3 and 5 million ounces). These per ounce payments will be calculated based on the most recent independent technical report within two (2) years from the date of closing and shall be paid once the Project reaches commercial production and shall be paid from net cash flows. No value has been assigned to this commitment in the total consideration summarized below since it is contingent upon future events, the outcome of which could not be determined at the transaction date.

The acquisition has been accounted for as a purchase of assets and liabilities and may be summarized as follows:

		<u>2007</u>	
Net assets acquired:			
Mineral Properties	\$	3,255,258	
Reclamation Bonds		3,162,482	
Capital Assets		258,768	
Liabilities		(11,955)	
Asset Retirement Obligations (note 7)		(2,183,522)	
	\$	4,481,031	
Satisfied by:			
Cash		3,281,031	
Issuance of Common Shares		1,200,000	
	\$	4,481,031	

Purchase of McDowell Tract

In March 28, 2008, the Company entered into an agreement with a private party (the "Seller") to purchase land in Lancaster County, South Carolina for US \$205,000 payable as follows:

- (a) Upon execution of the contract, Romarco shall pay to the Seller the sum of US \$20,000 (paid in March 2008).
- (b) At closing, the Company shall pay to the Seller the balance of the purchase price (US \$185,000). (see note 13)

5. Property, plant and equipment

<u>31-Mar-08</u>				
	Cost	Accumulated amortization	Net book value	
Computer equipment	\$ 171,023	\$ 32,654	\$	138,369
Office furniture and equipment	92,938	14,041		78,897
Field equipment	65,671	17,640		48,031
Vehicles	97,816	29,023		68,793
Buildings	193,155	3,496		189,659
	\$ 620,603	\$ 96,854	\$	523,749

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	31-Dec-07		
	Cost	Accumulated amortization	Net book value
Computer equipment	\$ 87,119	\$ 22,405	\$ 64,714
Office furniture and equipment	76,804	10,722	66,082
Field equipment	77,203	15,087	62,116
Vehicles	97,582	23,821	73,761
Buildings	185,971	1,564	184,407
	\$ 524,679	\$ 73,599	\$ 451,080

6. Capital Stock

(a) Common shares:

	Number of shares	Amount
Authorized:		
Unlimited common shares		
Issued:		
At December 31, 2006	92,080,648	\$ 40,343,097
Issued for mineral property interests	5,677,600	1,371,348
Issued on exercise of warrants	22,997,364	5,003,928
Issued on exercise of stock options	150,000	60,000
At December 31, 2007 and March 31, 2008	120,905,612	\$ 46,778,373

On April 1, 2008, Romarco closed a private non-brokered placement consisting of 27,580,246 units (the "Units") at \$0.17 per Unit, for aggregate proceeds of \$4.69 million. Each unit is comprised of one common share in the capital of the Company (a "Common Share") and one Common Share purchase warrant (a "Warrant"). Each Warrant will entitle the holder to purchase one Common Share for a period of two years from the closing date of the Non-brokered Offering at an exercise price of \$0.21 per share. As at March 31, 2008, the Company received \$4,648,442 which amounted to 27,343,776 shares for the private placement. This cash is restricted in use until the close of the private placement (April 1, 2008). The remaining amount of \$40,200 was received upon the closing date. The Company's largest shareholders, certain insiders and employees participated in the private placement.

(b) Warrants:

The following warrants to purchase common shares of the Company were outstanding at March 31, 2008

	Value assigned	Number	Average exercise price
At December 31, 2006	\$ 2,717,564	70,368,644	\$ 0.27
Warrants exercised	(65,004)	(22,997,364)	0.21
Issued on exercise of warrants	-	16,100	0.19

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Warrants expired	-	(639,000)	0.21
At December 31, 2007 and March 31, 2008	\$ 2,652,560	46,748,380	\$ 0.29

The following warrants to purchase common shares of the Company were outstanding at March 31, 2008:

Expiry date	Number	Exercise price
August 2008	43,706,362	\$ 0.30 ¹
August 2008	2,528,418	0.19 ²
August 2008	513,600	0.19
Outstanding as at March 31, 2008	46,748,380	\$

1. If the shares of the Company trade at C\$0.40 or higher for 20 consecutive days, the warrants will expire 30 days following notice to warrant holders.
2. An additional 2,528,418 warrants will be issued upon the exercise of these warrants. The additional warrants are exercisable at C\$0.30 per share until August 28, 2008. If the shares of the Company trade at C\$0.40 or higher for 20 consecutive days, the warrants will expire 30 days following notice to warrant holders.

(c) Stock options:

The following stock options to purchase common shares of the Company were authorized and outstanding at March 31, 2008:

	Number	Average exercise price	Value assigned
Outstanding, December 31, 2006	4,465,000	0.26	\$ 540,100
Issued	4,150,000	0.27	615,336
Expired and forfeited	(1,450,000)	0.28	(57,462)
Exercised	(150,000)	0.26	(21,000)
Outstanding, December 31, 2007	7,015,000	0.26	1,076,974
Issued	500,000	0.19	110,347
Expired	(200,000)	0.28	-
Forfeited	(500,000)	0.19	(10,937)
Outstanding, March 31, 2008	6,815,000	0.25	\$ 1,176,384

Expiry date	Number outstanding	Exercise price	Exercisable
June 2008	150,000	\$ 0.30	150,000
September 2008	800,000	0.26	800,000
November 2008	150,000	0.36	150,000
January 2010	715,000	0.25	715,000
October 2010	100,000	0.14	100,000
April 2011	400,000	0.29	400,000

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December 2011	350,000	0.22	262,500
January 2012	100,000	0.30	75,000
February 2012	1,925,000	0.26	1,443,750
April 2012	50,000	0.23	25,000
August 2012	1,325,000	0.29	662,500
October 2012	200,000	0.24	50,000
November 2012	50,000	0.25	12,500
February 2013	200,000	0.20	50,000
March 2013	300,000	0.18	75,000
Outstanding, as at March 31, 2008	6,815,000	\$ 0.26	4,971,250

(d) Stock based compensation:

During the three months ended March 31, 2008 the Company recognized \$99,410 (2007 - \$557,874) of stock-based compensation with corresponding increases in the separate stock options category of shareholders' equity. Of the \$99,410 the amount of \$89,789 was expensed during the quarter and \$9,621 was capitalized to mineral properties.

The weighted average fair value of the options granted was estimated on the date of the grant using the Black-Scholes option pricing model with the following assumptions:

	2008
Expected option lives	5 years
Risk-free interest rate	2.81 – 3.34%
Dividend yield	nil
Volatility	85 - 86%
Weighted average fair value	\$ 0.12 - 0.13

In February 2008 the Company granted 200,000 stock options exercisable until February 2013 at \$0.195 per share to a consultant. In March 2008 the consultant accepted the position as Senior VP and Chief Operating Officer of the Company and was granted an additional 300,000 options exercisable until March 2013 at \$0.18 per share.

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's warrants and stock options granted and/or vested during the period.

7. Asset retirement obligation

	31-Mar-08	31-Dec-07
Asset retirement obligation - Beginning of year	\$ 2,151,511	\$ 56,689
Obligation incurred during the year	-	2,200,048
Settlement of obligations during the year	(114,786)	(98,288)
Accretion expense	24,103	-
Gain/Loss on settlement of asset retirement obligation	-	(6,938)
Asset retirement obligation - End of year	\$ 2,060,828	\$ 2,151,511

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Current portion	492,902	601,662
Long-term portion	1,567,926	1,549,849

At March 31, 2008 the total undiscounted amount of the estimated cash flows required to settle the asset retirement obligation is estimated to be \$2,296,656 of which \$2,402,254 relates to Haile Gold Mine. These expenditures are expected to be incurred over the period to 2015. In determining the carrying value of the asset retirement obligation, the Company has assumed a credit-adjusted risk, risk free rate of 4.5% and a long term inflation rate of 3%.

8. Related party transactions

Amounts paid to related parties in the normal course of business are measured at the exchange amount as follows:

	31-Mar-08	31-Mar-07
Consulting fees paid to directors	\$ 6,900	\$ 17,958
Salaries paid to directors	14,940	11,682
Fees paid to a brother of the Company's President for graphic designs	246	-
Legal fees paid to corporate secretary's law firm	28,605	-
	\$ 50,691	\$ 29,640

9. Segmented information

The Company currently operates in one business segment, being the acquisition and exploration of mineral properties.

(a) Operating segment – The Company's operations are primarily directed towards the acquisition and exploration of resource properties.

(b) Geographic segments – The Company's assets, revenues and expenses by geographic areas are as follows:

	Canada	United States	Mexico	Total
Assets at March 31, 2008	\$ 5,479,608	\$ 10,548,690	\$ 1,682,158	\$ 17,710,456
Interest income	\$ 18,973	\$ 36,555	\$ -	\$ 55,528
General and administrative expenses	(408,919)	(374,168)	(1,776)	(784,863)
Other income (expense)	216,680	(231,966)	(42,708)	(57,994)
Net loss for the three months ended March 31, 2008	\$ (173,266)	\$ (569,579)	\$ (44,484)	\$ (787,329)

	Canada	United States	Mexico	Total
Assets at December 31, 2007	\$ 3,232,286	\$ 9,134,384	\$ 1,462,363	\$ 13,829,033
Interest income	\$ 66,006	\$ -	\$ -	\$ 66,006
General and administrative expenses	(427,789)	(409,304)	(1,963)	(839,056)
Other income (expenses)	(24,268)	-	-	(24,268)

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Net loss for the three months ended March 31, 2007	\$	(386,051)	\$	(409,304)	\$	(1,963)	\$	(797,318)
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10. Non-cash working capital

	31-Mar-08	31-Mar-07
Accounts receivable	\$ (11,716)	\$ (32,764)
Prepaid expenses	(103,501)	(58,606)
Other assets	(16,266)	-
Accounts payable and accrued liabilities	(250,690)	(19,822)
	\$ (382,173)	\$ (111,192)

Cash for the period ended March 31, 2008 was \$117,614 and short term liquid investments totaled \$5,281,432 of which \$4,648,442 is restricted as equity subscription receipts for the private placement.

11. Commitments

The following is a summary of the Company's contractual obligations and commitments as at March 31, 2008:

	Payments due by period				
	Total	2008	2009-2011	2012-2014	2015 and beyond
Office operation leases - CDN\$	107,134	52,568	54,566	-	-
Office operation leases - US\$	421,537	95,287	310,589	15,661	-

12. Management of capital risk

The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and maximize shareholder returns. The Company satisfies its capital requirements through careful management of its cash resources and by utilizing bank indebtedness or equity issues, as necessary, based on the prevalent economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets. As at March 31, 2008, the Company had no bank debt.

Romarco is currently developing its properties in the United States and Mexico, and based on current plans and estimates, management believes that the Company's working capital position should be sufficient to satisfy the related financial costs.

The Company is not subject to any externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy during the three months ended March 31, 2008.

ROMARCO MINERALS INC.

(an exploration stage company)

Notes to Interim Consolidated Financial Statements (Unaudited)

For the months ended March 31, 2008

Canadian \$

13. Subsequent events and contingency

Contingency

In April 2008 the former CFO of Romarco Minerals Inc. commenced action in the British Columbia Supreme court against Romarco Minerals Inc. seeking wrongful dismissal damages from the termination of his employment. The total amount of the claim has not been determined at this time. Management believes that the claim is without merit and intends to vigorously defend it. No amounts related to this have been recorded in the financial statements.

McDowell Tract

In April 2008, the Company paid the remaining US \$185,000 and completed the purchase of the McDowell Tract.