BROOKMOUNT EXPLORATIONS INC
Form 10KSB
March 14, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-KSB

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES ACT OF 1934

For the fiscal year ended November 30, 2007

Or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transaction period from _________ to ___________

Commission File number

BROOKMOUNT EXPLORATIONS, INC.

(Exact name of Company as specified in charter)

Nevada	98-0201259
(State or other jurisdiction of	(IRS Employer Identification No.)

incorporation or organization)

3888 Sound Way

Bellingham, Washington 98227

(Address of principal executive offices)

Issuer's telephone number, including area code: (206) 497-2138

Securities registered pursuant to section 12(b) of the Act:

Title of each share	Name of each exchange on which registered
None	None

Securities registered pursuant to Section 12(g) of the Act:

Common Stock

(Title of Class)

Check whether the Issuer (1) filed all reports required to be filed by section

13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for a shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

Check if there is no disclosure of delinquent filers pursuant to Item 405 of Regulation S-B is not contained herein, and will not be contained, to the best of the registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. []

Indicate by check mark whether the registrant is a shell company (as

Defined in Rule 12b-2 of the Exchange Act). Yes [X] No []

State issuer's revenues for its most recent fiscal year: Nil

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was sold, or the average bid and asked price of such common equity, as of a specified date within the past 60 days. (See definition of affiliate in Rule 12b-2 of the Exchange Act.)

[$4,840,000.00] as at February 26, 2007

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date.

[37,588,267] shares of common stock as at February 26, 2007

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PART 1

ITEM 1. DESCRIPTION OF BUSINESS

HISTORY AND ORGANIZATION

Brookmount Explorations, Inc. (the "Company"), a Nevada Corporation, was incorporated on December 9, 1999. Since inception, the Company has not been involved in any bankruptcy, receivership or similar proceedings. It has not had any material reclassification, merger, consolidation, purchase or sale of a significant amount of assets not in the ordinary course of business. The Company has no subsidiaries and no affiliated companies. The Company's shares are quoted on the NASD over the counter bulletin board (OTCBB) and currently trading under the symbol "BMXI".

Subsequent to November 30, 2005, the Company's shares were listed on the Berlin Stock Exchange and the Frankfurt Stock Exchange under the symbol "B6P".

The Company's executive offices are located at 3888 Sound Way, Bellingham, Washington 98227 , Telephone: (206)497-2138.

The Company's Articles of Incorporation currently provide that the Company is authorized to issue 200,000,000 shares of common stock, par value $0.001 per share. As at February 27, 2008, there were 37,588,267 shares outstanding.

The Company commenced operations as an exploration stage company during the fiscal year ended November 30, 2005.

Subsequent to November 30, 2005, Brookmount signed a Letter of Intent to acquire 56% interest in the Rock Creek Property by acquiring 722161 BC Ltd., a private corporation which is the owner of the interest in the Rock Creek Property. The property is located approximately 10 kilometers southeast of Rock Creek, B.C. in the Greenwood Mining Division.

Brookmount Claims

Mercedes 100 Property

The Mercedes 100 property consists of six mineral claims. We are the beneficial owner of a 100% interest in the claims. There are no other underlying agreements or interests in the property.

Specifics of the six mineral claims are as follows:

Claim Area

Claim Name

Claim Number

(Hectares)

Mercedes 100

C-08020145X011

450.00

Celeste

C-010151600

298.84

Celeste No. 2 C-010151500

218.58

Celeste No. 3

Celeste No. 4 C-010151700

200.00

Nuevo Herraje Cuatro C-010154100

996.96

Nueva Charo	C-010051101

446.93

Subsequent to November 30, 2005, Brookmount filed an application to acquire 1 additional 500 hectares of land at the Mercedes 100 property. These claims were acquired.

Acquisition and Maintenance of Mineral Rights in Peru

The general mining law of Peru defines and regulates all mining activity, from sampling and prospecting to commercialization, exploitation and processing. Mining concessions are granted in defined areas generally ranging from 100 to 1,000 hectares in size. Mining titles are irrevocable and perpetual, as long as the titleholder maintains payment of government fees. No royalties or other production-based monetary obligations are imposed on holders of mining concessions. Instead, a holder of mineral concessions must pay an annual maintenance fee of $3.00 per hectare for each concession actually acquired or for a pending application by June 30 of each year. The concession holder must sustain a minimum level of annual commercial production of greater than $100 per hectare in gross sales within eight years of the granting of the concession or, if the concession is not yet in production, the annual rental increases to $4.00 per hectare for the ninth through fourteenth years of the granting of the concession and to $10.00 per hectare thereafter. The concession will terminate if the annual fee is not paid for three years in total or for two consecutive years. The term of the concession is indefinite as long as the property is maintained by payment of rental fees.

The Peruvian Constitution and the Civil Code protect a mineral title holder by granting it the same rights as a private property holder. The holder's rights are distinct and independent from the ownership of the land on which it is located, even when both belong to the same person. Mining rights are defensible against third parties, transferable, chargeable and may be the subject of any contract or transaction.

Description, Location and Access

The Mercedes 100 property is accessed from Lima by an excellent paved mountain highway to Concepcion, just 10 kilometers short of the provincial capital of Huancayo, then by a paved road to Santa Roda de Ocopa. A good all-weather gravel road connects Ocopa with Satipo, a village in the Amazonas river basin. The Mercedes Mine camp is 36 kilometers from Santa Rosa.

Although the property is within 12 degrees south of the equator, it lies between 4,300 and 4,500 meters above sea level in an area that is treeless and cold. There are two main seasons in the region of the property: a dry cool winter with sunny days and cold nights (to -4(0) Celsius) lasting from May to

October, and a wet, cool summer that lasts from November to April and is characterized for its intense rains, snow and hail storms and average temperatures of 8(0) Celsius.

A 33 kilovolt power line follows the main gravel road past the Mercedes 100 property. Pomamanta, the nearest village to the property, about five kilometers to the east, is electrified on a limited basis. The line is 4.5 kilometers from the property site. Water for mining and drilling is available from streams and seeps in the hills above the property.

Nearby towns such as Conception and Huancayo are modern and offer most necessities.

There is a narrow guage railroad from Lima to Huancayo. This connects the mining and smelting center of La Oroya, 130 kilometers to the west.

On the property site, there is a large brick building that could be refurnished to serve as a camp for 20 to 30 people.

Mineralization and Exploration History

In the 1990's, Leader Mining Inc. entered into an option agreement with Mr. Peter Flueck for a 50% working interest in the property and in 1996, commissioned MPH Geological Consulting to assess the property s potential. Although the report contained a range of values of zinc, lead, gold and silver mineralization found on the property, as well as calculations of proven, potential, probable and possible reserves, we do not have sufficient information that would be necessary to determine if these figures are accurate or were calculated in accordance with acceptable mining standards.

Prior to our acquisition of the Mercedes 100 property, approximately $3,000,000 has been spent on the property. Most of these funds were spent on road building, re-opening underground workings on the property, topographical surveys, metallurgical tests, several exploitation campaigns and numerous sampling programs.

Geological Report: Mercedes 100 property

We obtained a geological report on the Mercedes 100 property that was prepared by Guillermo Salazar, a professional geologist, of Calgary, Alberta. We commissioned the report in March 2004. The geological report summarizes the results of previous exploration on the Mercedes 100 property and makes a recommendation for further exploration work.

In his report, Mr. Salazar recommends further exploration of the Mercedes 100 property that would include the following:

1. Survey of the property s several known showings, adits and trenches. It is recommended that this be done by confirming that the property boundaries are properly located, that the portals, adits and trenches are re-located with respect to the property boundaries and to other cultural and topographic features such as access roads, camps, mine dumps and main rivers.

2. There is about 200 tonnes of run-of-mine mineral in 50 kilogram sacks stacked along the road near the property. The sacks are in variable states of deterioration. They are, however, readily available for shipping if a nearby mill were to take the material for processing. The cost to us would include the cost of check assaying, re-sacking and transportation to the mill. Preliminary sampling of this rock indicates an average of 8.73 ounces per ton silver and 1.34% zinc. Mr. Salazar recommends that this be investigated.

3. A drilling program consisting of sixteen drill holes and totaling 1,810 meters designed to test prospective areas of the claims is recommended.

4. The geological interpretation of the claims needs to be confirmed. This requires the following:

§

a satellite image interprétation map. The primary objective of this would be to define the trace continuity of the faults and veins recognized on the property

§

a structural air photo and geological map. The air photos used for this map could also be used to produce a ground controlled topographic map without the errors in the government data packages.

The required detail of this recommendation depends on the results

§

From the survey described in paragraph one above the results from these studies should be followed up with careful prospecting of the targets thus defined.

Mr. Salazar proposes the following budget for exploration:

Survey the property's showings, adits and trenches:

$7,500

Truck rental (30 days at $100 per day):

$3,000

Check assaying of 220 tonnes, re-sacking of material

and identification of potential purchasers:

$10,000

Application for drilling permits:

$3,000

Drilling of 1,800 meters in 16 holes:

$271,500

Permit closure reporting:

$3,000

Satellite interpretation of alteration and lineaments:

$10,000

Testing of sacked mineralized rock (30 samples at $20 each): $600

Drill core testing (300 samples at $20 each):

$6,000

Gridding work:

$75,000

Report writing:

$15,000

Office and administration:

$7,500

Miscellaneous:

$40,000

Total:

$449,100

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In January 2008 The Company commissioned Geologist Jeff Reeder to produce a new 43-101 report as well as an exploration program. On February 5, 2008 The Company received a budget to accomplish these objectives.

The budget has three phases and the work will be performed by Luc Pigeon (P.Geo.)

1) Mapping, sampling and surveying
2) Geophysics
3) 43-101 report writing.

Proposed Exploration Plan Mercedes 100 Project Central Peru

The exploration program will consist of basic mapping and sampling followed up by a geophysical survey. The program will be supervised by a Professional Geologist and will prepare an independent 43-101 report. The amounts are in US dollars.

Initial Phase Geological Mapping and Sampling

1 Project Supervision P.Geo Canadian = 15 days X $500 = $7500

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1 - Project Geologist Peruvian Geological Mapping X 30 days X $300 = $9000

10 laborers = 300 Man days X $10 = $3000

1 Junior Geologist Sampling control 30 days X $60 = $1800

2 - Field Assistants Samplers 60 Man days X $20 = $2400

Surveyor

- Topographic Control - $35,000 - Geosurvey

- Underground Survey - $15,000 Geosurvey

Camp Setup - $12,000

Supplies / Food $10,000

Samples 600 X $50 = $3000

Truck Rental = 30 days X 150 = $4500 (includes Fuel)

Second Phase - Geophysics Induced Polarization and Magnetics

Project Supervision P.Geo = 5 days X $500 = $2500

1 Project Geologist 15 days X $300 = $4500

25 line kilometers = $2000 per kilometer = $50,000

15 laborers 450 Man days = $4500

Camp Supplies and Food = $15,000

Truck Rental = 30 days = $4500

Geophysical Report = $5000

Geological Report in Spanish and Map drafting = $10,000

Reporting 43-101

Project Manager Report Writing ~ $15,000

Drafting = $5000

Sub-Totals = $219,200

Add 10% Cont. = 21,920

Totals = $241,120

Compliance with Government Regulation

The General Mining Law of Peru is the primary body of law with regards to environmental regulations. It is administered by the Ministry of Energy and Mines (the MEM"). The MEM can require a mining company to prepare an environmental evaluation, an environmental impact assessment, a program for environmental management and adjustment and a closure plan. Mining companies are also subject to annual environmental audits.

A mining company that has completed its permitted exploration program must submit an impact study when applying for a new concession, to increase the size of its existing processing operations by more than 50% or to execute any other mining project. A company must also set forth its plan for compliance with the environmental laws and regulations, including its planned mining works, investments, monitoring systems, waste management control and site restoration. The plan is considered approved if the MEM does not respond after 60 days of filing. If the MEM or an "interested party" can show just cause, the plan may be modified during first year.

A mining company must also submit a closure plan for each component of its operations. The closure plan must outline the measures that will be taken to protect the environment over the short, medium and long term from solids, liquids and gasses generated by the mining works. The General Mining Law of Peru has in place a system of sanctions or financial penalties that can be levied against a mining company not in compliance with the environmental regulations.

Employees

The Company does not have any full time employees and the directors and officers devote such time as is required to the affairs of the Company. Once a major exploration program commences the Company will need the officers to devote more time to the activities of the Company or it will be required to hire consultants to undertake the work.

Available Information

The Company's shares are listed on the OTCBB, and, as required, the Company will hold annual general meetings and distribute certain documents, including financial statements, to shareholders of record.

Presently, the Company files with the United States Securities and Exchange Commission (the "SEC") on Forms 10-KSB and 10-QSB.

The public may read and copy any material the Company files with the SEC at the SEC's Public Reference Room at 100 F Street NE, N.W., Washington, D.C., 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The Company files its periodic reports electronically and therefore the public can review the Company's filing on the SEC Internet site that contains reports, proxy, and information statements, and other information regarding the Company. This information can be obtained by accessing the SEC website address at http://www.sec.gov.

The Company's internet address is www.brookmount.com

Research and Development Expenditures

We did not incur any research and development expenditures during the fiscal year ended November 30, 2007.

Subsidiaries

The Company has formed Brookmount Exploration, Inc. SA in Peru.

Patents and Trademarks

We do not own, either legally or beneficially, any patents or trademarks.

ITEM 1.A

RISK FACTORS

An investment in our common stock involves a high degree of risk. You should carefully consider the risks described below and the other information in this prospectus before investing in our common stock. If any of the following risks occur, our business, operating results and financial condition could be seriously harmed. The trading price of our common stock could decline due to any of these risks, and you may lose all or part of your investment.

OUR MERCEDES 100 PROPERTY CONTAINS THE FOLLOWING RESERVES AND RESOURCES.

Proven - 21,500 Tons @ 1 ounce gold equivalent

Potential & Prospective - 480,000 Tons @ 1 ounce gold equivalent

Possible - 1,950,000 Tons @ 1,800,000 ounces gold equivalent

Our sole mineral property asset is the Mercedes 100 property in Peru. As this property is in the exploration stage, it does not generate any cash flow. Accordingly, we have no means of producing any income. We anticipate incurring losses for the foreseeable future.

IF WE DO NOT OBTAIN ADDITIONAL FINANCING, OUR BUSINESS WILL FAIL.

Our current operating funds are less than necessary to complete planned exploration on our mineral property, and therefore we will need to obtain additional financing in order to complete our business plan. As of November 30, 2007, we had cash in the amount of $23,950. We currently do not have any operations and we have no income.

Our business plan calls for significant expenses in connection with the exploration of the Mercedes 100 property. We do not have sufficient funds to complete recommended exploration on the properties and ongoing administrative expenses.

We will also require additional financing if the costs of the exploration of our properties are greater than anticipated. We will also require additional financing to sustain our business operations if we are not successful in earning revenues once exploration is complete. We do not currently have any arrangements for financing and we can provide no assurance to investors that we will be able to find such financing if required. Obtaining additional financing would be subject to a number of factors, including the market prices for metals such as gold, investor acceptance of our properties and general investor sentiment. These factors may make the timing, amount, terms or conditions of additional financing unavailable to us.

The most likely source of future funds presently available to us is through the sale of equity capital. Any sale of share capital will result in dilution to existing shareholders. The only other anticipated alternative for the financing of further exploration would be the offering by us of an interest in our properties to be earned by another party or parties carrying out further exploration thereof, which is not presently contemplated.

BECAUSE WE HAVE ONLY RECENTLY COMMENCED BUSINESS OPERATIONS, WE FACE A HIGH RISK OF BUSINESS FAILURE.

We have not yet commenced exploration on the Mercedes 100 property.

Accordingly, we have no way to evaluate the likelihood that our business will be successful. To date, we have been involved primarily in organizational activities and the acquisition of mineral properties. We have not earned any revenues as of the date of this report. Potential investors should be aware of the difficulties normally encountered by new mineral exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration of the mineral properties that we plan to undertake. These potential problems include, but are not limited to, unanticipated problems relating to exploration and additional costs and expenses that may exceed current estimates.

Prior to completion of our exploration stage, we anticipate that we will incur increased operating expenses without realizing any revenues. We therefore expect to incur significant losses in the foreseeable future. We recognize that if we are unable to generate significant revenues from development of the Mercedes 100 property and the production of minerals from the claims, we will not be able to earn profits or continue operations.

There is no history upon which to base any assumption as to the likelihood that we will prove successful, and it is doubtful that we will generate any operating revenues or ever achieve profitable operations. If we are unsuccessful in addressing these risks, our business will most likely fail.

BECAUSE OF THE SPECULATIVE NATURE OF EXPLORATION OF MINERAL PROPERTIES, THERE IS A SUBSTANTIAL RISK THAT OUR BUSINESS WILL FAIL.

The search for valuable minerals as a business is extremely risky. We can provide investors with no assurance that the mineral claims that we have an interest in contain commercially exploitable reserves of valuable metals. Exploration for minerals is a speculative venture necessarily involving substantial risk. The expenditures to be made by us in the exploration of the optioned mineral properties may not result in the discovery of commercial quantities of minerals. Problems such as unusual or unexpected formations and other conditions are involved in mineral exploration and often result in unsuccessful exploration efforts. In such a case, we would be unable to complete our business plan.

BECAUSE MANAGEMENT HAS NO TECHNICAL EXPERIENCE IN MINERAL EXPLORATION, OUR BUSINESS HAS A HIGHER RISK OF FAILURE.

None of our directors has any professional training or technical credentials in the exploration, development and operation of mines. As a result, we may not be able to recognize and take advantage of potential acquisition and exploration opportunities in the sector without the aid of qualified geological consultants. As well, with no direct training or experience, our management may not be fully aware of the specific requirements related to working in this industry. Their decisions and choices may not be well thought out and our operations and ultimate financial success may suffer irreparable harm as a result.

BECAUSE OF THE INHERENT DANGERS INVOLVED IN MINERAL EPLORATION, THERE IS A RISK THAT WE MAY INCUR LIABILITY OR DAMAGES AS WE CONDUCT OUR BUSINESS.

The search for valuable minerals involves numerous hazards. As a result, we may become subject to liability for such hazards, including pollution, cave-ins and other hazards against which we cannot insure or against which we may elect not to insure. The payment of such Liabilities may have a material adverse effect on our financial position.

IF WE BECOME SUBJECT TO BURDENSOME GOVERNMENT REGULATION OR OTHER LEGAL UNCERTAINTIES, OUR BUSINESS WILL BE NEGATIVELY AFFECTED.

There are several governmental regulations that materially restrict mineral property exploration and development. Under Peruvian mining law, to engage in certain types of exploration will require work permits. While these current laws will not affect our current exploration plans, when we proceed with drilling operations on the Mercedes 100 property, we will incur modest regulatory compliance costs.

BECAUSE OUR DIRECTORS AND OFFICERS OWN 60.33% OF OUR OUTSTANDING COMMON STOCK, THEY COULD MAKE AND CONTROL CORPORATE DECISIONS THAT MAY BE DISADVANTAGEOUS TO OTHER MINORITY SHAREHOLDERS.

As of the date of this filing, our directors own approximately 60.33% of the outstanding shares of our common stock. Accordingly, they will have a significant influence in determining the outcome of all corporate transactions or other matters, including mergers, consolidations, and the sale of all or substantially all of our assets. They will also have the power to prevent or cause a change in control. The interests of our directors may differ from the interests of the other stockholders and thus result in corporate decisions that are disadvantageous to other shareholders.

WE MAY NOT BE ABLE TO OPERATE AS A GOING CONCERN AND OUR BUSINESS MAY FAIL.

The Independent Auditor's Report to our audited financial statements for the period ended November 30, 2007, indicates that there are a number of factors that raise substantial doubt about our ability to continue as a going concern. Such factors identified in the report are that we are in the pre-exploration stage, we have no established source of revenue and that we are dependent on our ability to raise capital from shareholders or other sources to sustain operations.

OUR STOCK PRICE IS SUBJECT TO WIDE FLUCTUATIONS THAT MAY CAUSE STOCKHOLDERS TO LOSE THEIR INVESTMENTS.

If a market for our common stock develops, we anticipate that the market price of our common stock will be subject to wide fluctuations in response to several factors, including:

(1) actual or anticipated variations in our results of operations;

(2) our ability or inability to generate new revenues;

(3) increased competition; and

(4) conditions and trend in the mineral exploration industry.

Since our common stock is traded on the NASD over the counter bulletin board, our stock price may be impacted by factors that are unrelated or disproportionate to our operating performance. These market fluctuations, as well as general economic, political and market conditions, such as recessions, interest rates or international currency fluctuations may adversely affect the market price of our common stock.

Forward-Looking Statements

This Form 10-KSB contains forward-looking statements that involve risks and uncertainties. We use words such as anticipate, believe, plan, expect, future, intend and similar expressions to identify such forward-looking statements. You should not place too much reliance on these forward-looking statements. Our actual results are likely to differ materially from those anticipated in these forward-looking statements for many reasons, including the risks faced by us described in the above "Risk Factors" section and elsewhere in this document.

ITEM 2. DESCRIPTION OF PROPERTY

Mercedes 100 Property

By an agreement dated July 3, 2003, and amended on January 24, 2005, the Company has also entered into an agreement with its president, Peter Flueck, whereby the Company has agreed to purchase a 100% interest in seven mineral concessions comprising a total of 2,611 hectares located in Ahuigrande Parish, Comas District, Concepcion Province of the Department of Junin, Peru. In order to acquire a 100% interest in the Mercedes 100 property, the Company must pay $22,500 (paid) to Mr. Flueck and issue a total of 5,000,000 shares (issued) of restricted common stock in our capital.

Title to the Mercedes 100 property

The Mercedes 100 property consists of six mineral claims. We are the beneficial owner of a 100% interest in the claims. There are no other underlying agreements or interests in the property.

Specifics of the six mineral claims are as follows:

Claim Area

Claim Name

Claim Number

(Hectares)

Mercedes 100

C-08020145X011 450.00

Celeste

C-010151600

298.84

Celeste No. 2

C-010151500

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$3.00 per hectare for each concession actually acquired or for a pending application by June 30 of each year. The concession holder must sustain a minimum level of annual commercial production of greater than $100 per hectare in gross sales within eight years of the granting of the concession or, if the concession is not yet in production, the annual rental increases to $4.00 per hectare for the ninth through fourteenth years of the granting of the concession and to $10.00 per hectare thereafter. The concession will terminate if the annual fee is not paid for three years in total or for two consecutive years. The term of the concession is indefinite as long as the property is maintained by payment of rental fees.

The Peruvian Constitution and the Civil Code protect a mineral title holder with the same rights as a private property holder. The holder's rights are distinct and independent from the ownership of the land on which it is located, even when both belong to the same person. Mining rights are defensible against third parties, transferable, chargeable and may be the subject of any contract or transaction.

Description, Location and Access

The Mercedes 100 property is accessed from Lima by an excellent paved mountain highway to Concepcion, just 10 kilometers short of the provincial capital of Huancayo, then by a paved road to Santa Roda de Ocopa. A good all-weather gravel road connects Ocopa with Satipo, a village in the Amazonas river basin. The Mercedes Mine camp is 36 kilometers from Santa Rosa.

Although the property is within 12 degrees south of the equator, it lies between 4,300 and 4,500 meters above sea level in an area that is treeless and cold. There are two main seasons in the region of the property: a dry cool winter with sunny days and cold nights (to -4(0) Celsius) lasting from May to October, and a wet, cool summer that lasts from November to April and is characterized for its intense rains, snow and hail storms and average temperatures of 8(0) Celsius.

A 33 kilovolt power line follows the main gravel road past the Mercedes 100 property.

Pomamanta, the nearest village to the property, about five kilometers to the east, is electrified on a limited basis. The line is 4.5 kilometers from the property site. Water for mining and drilling is available from streams and seeps in the hills above the property.

Nearby towns such as Concepcion and Huancayo are modern and offer most necessities. There is a narrow gauge railroad from Lima to Huancayo. This connects the mining and smelting center of La Oroya, 130 kilometers to the west.

On the property site, there is a large brick building that could be refurnished to serve as a camp for 20 to 30 people.

Mineralization and Exploration History

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Prior to our acquisition of the Mercedes 100 property, approximately $3,000,000 has been spent on the property. Most of these funds were spend on road building, re-opening underground workings on the property, topographical surveys, metallurgical tests, several exploitation campaigns and numerous sampling programs.

Geological Report: Mercedes 100 property

We have obtained a geological report on the Mercedes 100 property that was prepared by Guillermo Salazar, a professional geologist, of Calgary, Alberta. We commissioned the report in March 2004. The geological report summarizes the results of previous exploration on the Mercedes 100 property and makes a recommendation for further exploration work.

In his report, Mr. Salazar recommends further exploration of the Mercedes 100 property that would include the following:

1. Survey of the property's several known showings, adits and trenches. It is recommended that be done by confirming that the property boundaries are properly located, that the portals, adits and trenches are re-located with respect to the property boundaries and to other cultural and topographic features such as access roads, camps, mine dumps and main rivers.

2. There is about 200 tonnes of run-of-mine mineral in 50 kilogram sacks stacked along the road near the property. The sacks are in variable states of deterioration. They are, however, readily available for shipping if a nearby mill were to take the material for processing. The cost to us would include the cost of check assaying, re-sacking and transportation to the mill. Preliminary sampling of this rock indicates an average of 8.73 ounces per ton silver and 1.34% zinc. Mr. Salazar recommends that this be investigated.

3. A drilling program consisting of sixteen drill holes and totaling 1,810 meters designed to test prospective areas of the claims is recommended.

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a satellite image interprétation map. The primary objective of this would be to define the trace continuity of the faults and veins recognized on the property

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a structural air photo and geological map. The air photos used for this map could also be used to produce a ground controlled topographic map without the errors in the government data packages. The required detail of this recommendation depends on the results from the survey described in paragraph one above.

.

the results from these studies should be followed up with careful prospecting of the targets thus defined.

Mr. Salazar proposes the following budget for exploration:

Survey the property's showings, adits and trenches:

$7,500

Truck rental (30 days at $100 per day):

$3,000

Check assaying of 220 tonnes, re-sacking of material

and identification of potential purchasers:

$10,000

Application for drilling permits:

$3,000

Drilling of 1,800 meters in 16 holes:

$271,500

Permit closure reporting:

$3,000

Satellite interpretation of alteration and lineaments:

$10,000

Testing of sacked mineralized rock (30 samples at $20 each): $600

Drill core testing (300 samples at $20 each):

$6,000

Gridding work:

$75,000

Report writing:

$15,000

Office and administration:

$7,500

Miscellaneous:

$40,000

Total:

$449,100

========

Compliance with Government Regulation

The General Mining Law of Peru is the primary body of law with regards to environmental regulations. It is administered by the Ministry of Energy and Mines (the "MEM"). The MEM can require a mining company to prepare an environmental evaluation, an environmental impact assessment, a program for environmental management and adjustment and a closure plan. Mining companies are also subject to annual environmental audits.

A mining company that has completed its permitted exploration program must submit an impact study when applying for a new concession, to increase the size of its existing processing operations by more than 50% or to execute any other mining project. A company must also set forth its plan for compliance with the environmental laws and regulations, including its planned mining works, investments, monitoring systems, waste management control and site restoration. The plan is considered approved if the MEM does not respond after 60 days of filing. If the MEM or an "interested party" can show just cause, the plan may be modified during first year.

A mining company must also submit a closure plan for each component of its operations. The closure plan must outline the measures that will be taken to protect the environment over the short, medium and long term from solids, liquids and gasses generated by the mining works. The General Mining Law of Peru has in place a system of sanctions or financial penalties that can be levied against a mining company not in compliance with the environmental regulations.

ITEM 3. LEGAL PROCEEDINGS

The Company is currently involved in two suits, both of which are currently being heard in the United States District Court, Central District of California:

i.)

David Dadon v. Brookmount Explorations, Inc., Peter Flueck and Zaf Sungur- This case involves a former officer and director of the company who filed suit claiming Breach of Contract after he was dismissed by the Company. This suit was voluntarily dismissed but the Company has written to the plaintiff s counsel stating its intention to file a Rule 11 Motion seeking sanctions and costs against both the plaintiff and counsel. The Company has not been successful in its motion to recover its costs from the plaintiff and counsel.

ii.)

Brian Glicker v. Brookmount Explorations, Inc. - This suit was filed by the plaintiff (counsel to David Dadon, plaintiff in the case above mentioned) seeking to compel the Company to issue an opinion letter allowing him to sell shares that the Company contends was fraudulently procured by David Dadon and later transferred to Brian Glicker. The Company has submitted a Motion to Dismiss this suit on jurisdictional grounds and the court has tentatively granted such motion but permitted the plaintiff to submit additional declarations to support his claim. The Company has filed an opposition to such ruling and is awaiting the outcome thereof

iii.)

On February 12, 2007, the United States District Court issued a notice of dismissal with respect to the legal action against the Company brought forward by a former director. The legal action against the Company was dismissed in its entirety. On December 11, 2006 the Supreme Court of British Columbia ordered a former director to pay the Company a sum of $173,700 plus interest accrued $5,341, making together the sum of $179,041.

iv.)

The Company has obtained a judgment against David Dadon and has also been awarded legal costs bringing the total Judgment to $213,978.09. Mr. Dadon has appealed this decision and the appeal is to be heard on March 07, 2008.

v.)

On March 7, 2008 Mr. Dadon s appeal was dismissed by the British Columbia Appeals Court.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITIES HOLDERS

No matters were submitted to a vote of shareholders of the Company during the final quarter of the fiscal year ended November 30, 2007.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information

As of the date of this report our shares of common stock are trading on the National Association of Securities Dealers' OTC Bulletin Board (OTCBB) under the symbol "BMXI" and on the Berlin Stock Exchange under the symbol "B6P".

We have 239 shareholders of record as at the date of this annual report.

Our common stock is quoted on the OTC Bulletin Board under the symbol BMXI . Our shares of common stock began trading on 12/23/2004. There is no previous trading data available aside from information relating to Sphere of Language. These quotations reflect inter-dealer prices, without mark-up, mark-down or commission, and may not represent actual transactions.

	Bid Prices	
	High	**Low**
2007 Fiscal Year		
First Quarter	.14	.13
Second Quarter	.14	.07
Third Quarter	.08	.04
Fourth Quarter	.44	.06
2006 Fiscal Year		
First Quarter	1.08	.18
Second Quarter	.19	.05
Third Quarter	.15	.065
Fourth Quarter	.15	.13

Dividends

There are no restrictions in our articles of incorporation or bylaws that prevent us from declaring dividends. The Nevada Revised Statutes, however, do prohibit us from declaring dividends where, after giving effect to the distribution of the dividend:

1. we would not be able to pay our debts as they become due in the usual course of business; or

2. our total assets would be less than the sum of our total liabilities plus the amount that would be needed to satisfy the rights of shareholders who have preferential rights superior to those receiving the distribution.

We have not declared any dividends, and we do not plan to declare any dividends in the foreseeable future.

Equity Compensation Plans

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

OVERVIEW

Our plan of operations for the twelve months following the date of this annual report is to complete a secondary exploration program on the Mercedes 100 property. We anticipate that this program will cost approximately $250,000.

In addition, we anticipate spending $60,000 on professional fees, $240,000 on management fees, $40,000 on travel costs, $40,000 on promotional expenses and $40,000 on other administrative expenses.

Total expenditures over the next 12 months are therefore expected to be $670,000. We will not be able to proceed with either exploration program, or meet our administrative expense requirements, without additional financing.

We will not be able to complete the initial exploration programs on our mineral properties without additional financing. We currently do not have a specific plan of how we will obtain such funding; however, we anticipate that additional funding will be in the form of equity financing from the sale of our common stock. We may also seek to obtain short-term loans from our directors, although no such arrangement has been made. At this time, we cannot provide investors with any assurance that we will be able to raise sufficient funding from the sale of our common stock or through a loan from our directors to meet our obligations over the next twelve months. We do not have any arrangements in place for any future equity financing.

Results of Operations for Period Ending November 30, 2007

We did not earn any revenues during the period ending November 30, 2006. We do not anticipate earning revenues until such time as we have entered into commercial production of the Brookmount claims or the Mercedes property. We are presently in the pre-exploration stage of our business and we can provide no assurance that we will discover economic mineralization levels of minerals on either property, or if such minerals are discovered, that we will enter into commercial production.

We incurred operating expenses in the amount of $466,255 for the fiscal year ended November 30, 2007 and $1,403,413 for the fiscal year ended November 30, 2006. Mineral property costs under these this operating expense comprised of $90,481 and $103,352 during the fiscal year ended November 30, 2007 and 2006, respectively.

These shares were issued to our directors and officers in the following amounts:

Peter Flueck	15,155,555
Zaf Sungur	7,522,796

We have not attained profitable operations and are dependent upon obtaining financing to pursue exploration activities. For these reasons our auditors stated in their report that they have substantial doubt that we will be able to continue as a going concern.

At November 30, 2007, we had assets of $ 23,950 (for the fiscal year ended November 30, 2006- $24,838) consisting of cash on hand of $23,950 (2006-$18,091), prepaid expenses of $Nil (2006-$5,878.00), and capital assets of $Nil (2006-$869.00). At the same date, we had $410,163 (2006-$233,034) in liabilities consisting of accounts payable and accrued liabilities of $210,082 (2006- $100,096) and $200,081 (2006- $132,938) due to related parties.

BROOKMOUNT EXPLORATIONS INC.

(An Exploration Stage Company)

FINANCIAL STATEMENTS

NOVEMBER 30, 2007

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors of Brookmount Explorations Inc .:

We have audited the accompanying balance sheets of Brookmount Explorations Inc (An Exploration Stage Company) as of November 30, 2007 and 2006 and the related statements of operations, stockholders' deficit and cash flows for the years then ended and the period from inception on December 9, 1999 to November 30, 2007. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

The balance sheets at November 30, 2004 and 2003 and for the years then ended and the period from inception on December 9, 1999 to November 30, 2004 were audited by other auditors whose report dated January 31, 2005 included an explanatory paragraph regarding the Company's ability to continue as a going concern. The financial statements for the period from December 9, 1999 (date of inception) to November 30, 2004 reflect a net loss of $553,021 of the related cumulative totals. The other auditors' report has been furnished to us, and our opinion, insofar as it relates to amounts included for such periods, is based solely on the report of such auditors.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits and the report of another auditor, these financial statements present fairly, in all material respects, the financial position of the Company, as of November 30, 2007 and 2006, and the results of its operations, cash flows and changes in stockholders' deficit for the years then ended and for the period from inception on December 9 , 1999 to November 30, 2007, in conformity with generally accepted accounting principles used in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, to date the Company has not generated any revenues from operations and requires additional funds to meet its obligations and fund the costs of its operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in this regard are described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

DMCL

Dale Matheson Carr-Hilton LaBonte LLP

CHARTERED ACCOUNTANTS

Vancouver, Canada

March 8, 2008

BROOKMOUNT EXPLORATIONS INC.

(An Exploration Stage Company)

BALANCE SHEETS

	November 30, 2007	November 30, 2006
ASSETS		
Current assets		
Cash	$ 23,950	$ 18,091
Prepaid expenses	-	5,878
	23,950	23,969
Equipment, net	-	869
	$ 23,950	$ 24,838
1.1.1.A		
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	$ 210,082	$ 100,096
Due to related parties Note 6	200,081	132,938
	410,163	233,034
1.1.1.B		
STOCKHOLDERS DEFICIT		
Common stock, $0.001 par value Note 5		
200,000,000 shares authorized		

37,588,267 shares issued (2006 25,998,502)	37,588	25,998
Additional paid-in capital	4,516,067	4,239,419
Stock subscriptions receivable	(6,600)	(6,600)
Deficit accumulated during the exploration stage	(4,933,268)	(4,467,013)
	(386,213)	(208,196)
	$ 23,950	$ 24,838

Commitments and contingency Notes 1 and 4

SEE ACCOMPANYING NOTES

BROOKMOUNT EXPLORATIONS INC.

(An Exploration Stage Company)

STATEMENTS OF OPERATIONS

	Year ended November 30, 2007	Year ended November 30, 2006	December 9, 1999 (date of inception) to November 30, 2007
Expenses			
General and administrative - Note 6	$ 375,774	$ 1,300,061	$ 2,494,710
Mineral property costs - Note 4	90,481	103,352	2,438,558
Net loss	$ 466,255	$ 1,403,413	$ 4,933,268
Basic and diluted net loss per share	$ (0.02)	$ (0.06)	
Weighted average number of shares outstanding basic and diluted	28,209,411	23,109,944	

SEE ACCOMPANYING NOTES

BROOKMOUNT EXPLORATIONS INC.

(An Exploration Stage Company)

STATEMENTS OF CASH FLOWS

	Year ended November 30, 2007	Year ended November 30, 2006	December 9, 1999 (date of inception) to November 30, 2007
Cash Flows from Operating Activities			
Net loss	$ (466,255)	$ (1,403,413)	$ (4,933,268)
Add items not affecting cash:			
Amortization	869	373	1,139
Capital contributions	-	-	29,250
Common stock issued for services	-	462,879	462,880
Common stock issued for mineral property	-	66,250	2,216,250
Provision for unrecoverable advances	-	193,618	193,618
Changes in non-cash working capital:			
Prepaid expenses	5,878	(878)	-
Accounts payable and accrued liabilities	109,992	(90,577)	233,791
Cash Flows Used In Operations	(349,516)	(590,594)	(1,795,666)
Cash Flows from Investing Activities			
Advances	-	(150,000)	(193,617)
Acquisition of equipment	-	-	(1,813)
Cash Flows Used In Investing Activities	-	(150,000)	(195,430)
Cash Flows from Financing Activities			
Due to related parties	304,950	230,293	593,759
Common stock issued, net	50,425	507,945	1,421,287
Cash Flows Provided by Financing Activities	355,375	738,238	2,015,046
Increase (decrease) in cash	5,859	(2,356)	23,950

Cash, beginning	18,091	20,447	-
Cash, ending	$ 23,950	$ 18,091	$ 23,950
Supplemental Disclosure of Cash Flow Information			
Cash paid for:			
Interest	$ -	$ -	$ -
Income taxes	$ -	$ -	$ -

Non-cash transactions Note 7

SEE ACCOMPANYING NOTES

BROOKMOUNT EXPLORATIONS INC.

(An Exploration Stage Company)

STATEMENT OF STOCKHOLDERS DEFICIT

For the period December 9, 1999 (Date of Inception) to November 30, 2007

	Common Shares Number	Common Shares Par Value	Additional Paid-in Capital	Stock Subscriptions Receivable	Deficit Accumulated During the Exploration Stage	Total
Common stock issued for cash	3,500,000	$	$	$	$	$
at $0.001		3,500	-	-	-	3,500
Balance, as at November 30, 1999	3,500,000	3,500	-	-	-	3,500
Common stock issued for cash	5,750,000	5,750	5,750	-	-	11,500
at $0.002						
at $0.20	32,400	32	6,448	-	-	6,480
Contributions to capital by officers	-	-	9,000	-	-	9,000
Net loss	-	-	-	-	(31,327)	(31,327)
Balance, as at November 30, 2000	9,282,400	9,282	21,198	-	(31,327)	(847)
Contributions to capital by officers	-	-	9,000	-	-	9,000
Net loss	-	-	-	-	(17,215)	(17,215)
Balance, as at November 30, 2001	9,282,400	9,282	30,198	-	(48,542)	(9,062)
Contributions to capital by officers	-	-	9,000	-	-	9,000
Net loss	-	-	-	-	(17,811)	(17,811)
Balance, as at November 30, 2002	9,282,400	9,282	39,198	-	(66,353)	(17,873)
Common stock issued for cash	176,500	177	43,948	-	-	44,125
at $0.25						
at $0.50	250,000	250	125,262	-	-	125,512
Contributions to capital by officers	-	-	2,250	-	-	2,250

Net loss	-	-	-	-	(164,407)	(164,407)
Balance, as at November 30, 2003	9,708,900	9,709	210,658	-	(230,760)	(10,393)
Common stock issued for cash at $0.50	575,948	576	287,398	(100)	-	287,874
Net loss for the year	-	-	-	-	(322,261)	(322,261)
Balance, as at November 30, 2004	10,284,848	10,285	498,056	(100)	(553,021)	(44,780)

SEE ACCOMPANYING NOTES

BROOKMOUNT EXPLORATIONS INC.

(An Exploration Stage Company)

STATEMENT OF STOCKHOLDERS DEFICIT

For the period December 9, 1999 (date of inception) to November 30, 2007

	Common Shares Number	Common Shares Par Value	Additional Paid-in Capital	Stock Subscriptions Receivable	Deficit Accumulated During the Exploration Stage	Total
Common stock issued for cash at $0.21	100,000	100	21,130	-	-	21,230
Common stock issued for cash at $0.25	200,000	200	46,300	-	-	46,500
Common stock issued for cash at $0.35	134,100	134	46,867	(6,500)	-	40,501
Common stock issued for cash at $0.40	62,500	63	24,937	-	-	25,000
Common stock issued for cash at $0.50	411,190	411	205,184	-	-	205,595
Common stock issued for cash at $0.56	35,714	35	19,965	-	-	20,000
Common stock issued for cash at $0.60	10,333	10	6,190	-	-	6,200
Common stock issued for cash at $0.63	30,000	30	18,870	-	-	18,900
Common stock issued for mineral property	5,000,000	5,000	1,995,000	-	-	2,000,000

at $0.40						
Common stock issued for mineral property at $0.30	500,000	500	149,500	-	-	150,000
Net loss	-	-	-	-	(2,510,579)	(2,510,579)
Balance, as at November 30, 2005	16,768,685	16,768	3,031,999	(6,600)	(3,063,600)	(21,433)
Capital stock issued for cash	1,580,000	1,580	131,366	-	-	132,946
at $0.09						
at $0.40	759,975	760	274,240	-	-	275,000
at $0.60	163,001	163	99,837	-	-	100,000
Common stock issued for mineral property	100,000	100	9,900	-	-	10,000
at $0.10						
Common stock issued for mineral property	375,000	375	55,875	-	-	56,250
at $0.15						
Common stock issued for services	7,921,000	7,921	2,021,241	-	-	2,029,162
Common stock cancelled	(5,291,000)	(5,291)	1,560,992)			(1,566,283)
Common stock issued for debt	3,621,841	3,622	175,953	-	-	179,575
Net loss	-	-	-	-	(1,403,413)	(1,403,413)
Balance, as at November 30, 2006	25,998,502	25,998	4,239,419	(6,600)	(4,467,013)	(208,196)

SEE ACCOMPANYING NOTES

BROOKMOUNT EXPLORATIONS INC.

(An Exploration Stage Company)

STATEMENT OF STOCKHOLDERS DEFICIT

For the period December 9, 1999 (date of inception) to November 30, 2007

	Common Shares Number	Common Shares Par Value	Additional Paid-in Capital	Stock Subscriptions Receivable	Deficit Accumulated During the Exploration Stage	Total
Common stock issued for cash -at $0.12	125,000	125	14,875	-	-	15,000
Common stock issued for cash - at $0.11	45,454	45	4,852	-	-	4,897
Common stock issued for cash at $0.35	28,571	28	10,250	-	-	10,278
Common stock issued for cash at $0.30	33,333	33	10,092	-	-	10,125
Common stock issued for cash at $0.30	33,333	33	10,092	-	-	10,125
Common stock issued for debt - $0.021	11,324,074	11,324	226,489	-	-	237,813
Net loss	-	-	-	-	(466,255)	(466,255)
Balance, as at November 30, 2007	37,588,267	$37,588	$4,516,067	$(6,600)	$ (4,933,268)	$ (386,213)

SEE ACCOMPANYING NOTES

BROOKMOUNT EXPLORATIONS INC.

(An Exploration Stage Company)

NOTES TO THE FINANCIAL STATEMENTS

November 30, 2007

Note 1

Nature of Continued Operations and Basis of Presentation

The Company is an exploration stage company. The Company is incorporated in Nevada and was organized for the purpose of acquiring, exploring and developing mineral properties. The recoverability of amounts from properties acquired will be dependant upon discovery of economically recoverable reserves, confirmation of the Company s interest in the underlying property, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under the property agreement and to complete the development of the property and upon future profitable production.

Going Concern

The financial statements have been prepared on the basis of a going concern which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has a working capital deficiency of $386,213 at November 30, 2007 and has incurred losses since inception of $4,933,268 and further losses are anticipated in the development of its mineral properties raising substantial doubt as to the Company s ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on raising additional capital to fund ongoing exploration and development and ultimately on generating future profitable operations. Management plans to continue funding the Company s operations with advances, other debt sources and further equity placements.

Note 2

Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America and are presented in United States dollars.

Exploration Stage Company

The Company complies with Financial Accounting Standards Board Statement No. 7 its characterization of the Company as an exploration stage enterprise.

Mineral Property

The Company is primarily engaged in the acquisition, exploration and development of mineral properties. Mineral property acquisition costs are capitalized in accordance with EITF 04-2 when management has determined that probable future benefits consisting of a contribution to future cash inflows, have been identified and adequate financial resources are available or are expected to be available as required to meet the terms of property acquisition and budgeted exploration and development expenditures.

Note 2

Summary of Significant Accounting Policies (continued)

Mineral Property (continued)

Mineral property acquisition costs are expensed as incurred if the criteria for capitalization is not met. Mineral property exploration costs are expensed as incurred. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs incurred to develop such property are capitalized. As of the date of these financial statements, the Company has incurred only acquisition and exploration costs which have been expensed. To date the Company has not established any proven or probable reserves on its mineral properties.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Foreign Currency Translation

The financial statements are presented in United States dollars. In accordance with Statement of Financial Accounting Standards No. 52, Foreign Currency Translation , foreign denominated monetary assets and liabilities are translated into their United States dollar equivalents using foreign exchange rates which prevailed at the balance sheet date. Revenue and expenses are translated at average rates of exchange during the year. Gains or losses resulting from foreign currency transactions are included in results of operations.

Fair Value of Financial Instruments

The carrying value of cash, accounts payable and accrued liabilities and amounts due to related parties approximates their fair value because of the short maturity of these instruments. Unless otherwise noted, it is management s opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Environmental Costs

Environmental expenditures that relate to current operations are expensed or capitalized as appropriate. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to current or future revenue generation, are expensed. Liabilities are recorded when environmental assessments and/or remedial efforts are probable, and the cost can be reasonably estimated. Generally, the timing of these accruals coincides with the earlier of completion of a feasibility study or the Company s commitments to plan of action based on the then known facts.

Note 2

Summary of Significant Accounting Policies (continued)

Income Taxes

The Company follows the liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are recognized for the estimated tax consequences attributable to differences between the financial statement carrying values and their respective income tax basis (temporary differences). The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

At November 30, 2007 a full deferred tax asset valuation allowance has been provided and no deferred tax asset benefit has been recorded.

Loss Per Share

Basic loss per share includes no dilution and is computed by dividing loss available to common stockholders by the weighted average number of common shares outstanding for the period. Dilutive loss per share reflects the potential dilution of securities that could share in the earnings of the Company. Because the Company does not have any potentially dilutive securities, basic loss per share is equal to dilutive loss per share.

Stock-based Compensation

The Company has not adopted a stock option plan and has not granted any stock options. Accordingly no stock-based compensation has been recorded to date.

Recent Accounting Pronouncements

In December 2007, the FASB issued SFAS No. 160, Non-controlling Interests in Consolidated Financial Statements . This Statement amends ARB 51 to establish accounting and reporting standards for the non-controlling (minority) interest in a subsidiary and for the deconsolidation of a subsidiary. It clarifies that a non-controlling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. The Company has not yet determined the impact, if any, that SFAS No. 160 will have on its financial statements. SFAS No. 160 is effective for the Company s fiscal year beginning December 1, 2009. Management has determined that the accounting standard will have no effect on the Company.

In December 2007, the FASB issued SFAS 141R, Business Combinations, SFAS 141R replaces SFAS 141. The statement retains the purchase method of accounting for acquisitions, but requires a number of changes, including changes in the way assets and liabilities are recognized. Management has determined that the accounting standard will have no effect on the Company.

Note 3

Advances

On May 13, 2005, the Company signed a Letter of Agreement with a private corporation Jemma Resources Corp. (Jemma) to acquire 100% of the outstanding capital stock of Jemma. Significant terms contained in the Letter of Agreement were the appointment of two of Jemma s directors to the Company s board of directors, Jemma completing a debt financing of $15 million, the Company s right to elect not to proceed with the transaction resulting in all advances made to Jemma by the Company being refundable, and the replacement of the Letter of Agreement with a binding contract. The purchase price consisted of 3,000,000 shares of common stock of the Company, 3,000,000 share purchase warrants at $1.50 per warrant exercisable within 24 months from the date of the agreement and approximately CDN $75,000 in refundable advances to secure an extension for the option to purchase a mineral property and for operating costs. During May 2005 two directors of Jemma were appointed to the Company s board of directors. During the year ended November 30, 2005, the Company advanced $43,617 (CDN $54,400) pursuant to the Letter of Agreement. At November 30, 2005 the Letter of Agreement had not been replaced by a binding contract and Jemma had not raised the debt financing as contemplated in the Letter of Agreement. Accordingly the Company s management decided not to proceed with this transaction. The decision was as a result of the Company s due diligence and Jemma s inability to raise the agreed financing. As a result, the advances totaling $43,617 became refundable pursuant to the terms of the Letter of Agreement. As of November 30, 2007, the Company has not received the funds from Jemma. Due to delays in collecting this advance the Company fully provided against this advance during the year ended November 30, 2006.

During the year ending November 30, 2006, $150,000 was withdrawn from the Company s bank account by a former director of the Company. The former director was not an authorized signatory on the Company s bank account and had not been granted any such authority to withdraw the funds by the Company s Board of Directors. Upon completion of an investigation, the Company determined that the former director had not used the funds for corporate purposes. To date, the money has not been returned. The Company took legal action against the former director in an effort to recover the $150,000. As a result, the Supreme Court of British Columbia ordered the former director to pay the Company a sum of USD $173,700 plus accrued interest of USD $5,341. Due to the uncertainty of collection the Company fully provided against this advance during the year ended November 30, 2006.

On June 29, 2006, a former director of the Company commenced legal action against the Company and its directors. The former director claimed damages in excess of $5,000,000 for breach of contract, libel, fraud, intentional deceit, wrongful conduct and emotional distress. On February 12, 2007 the United States District Court issued a notice of dismissal. The legal action against the Company was dismissed in its entirety.

Note 4

Mineral Properties

a)

Brookmount Claims, Abitibi West County, Quebec, Canada

During the year ended December 31, 2003, the Company acquired five mineral claims located in the Chazel Township, in the Province of Quebec for $47,779. At November 14, 2006, the mineral claims lapsed and the Company chose not to renew them as the claims did not appear to be promising.

b)

Mercedes Property, Junin, Peru

Pursuant to a property acquisition agreement dated July 3, 2003, and amended on January 24, 2005, the Company acquired a 100% interest in 2,611 hectares located in Central Peru from a director of the Company (the Vendor) for consideration of $22,500 (paid) and the issuance of 5,000,000 common shares valued at $0.40 per share (issued). The property is held in trust by the Vendor for the Company. Upon request from the Company the title will be recorded in the name of the Company. At November 30, 2007, the title of this property has not been recorded in the name of the Company.

c) Rock Creek Claims, British Columbia, Canada

On May 25, 2006, the Company entered into an option agreement (the Agreement) to acquire an option to purchase 100% of the issued share capital of 722161 B.C. Ltd (BC Ltd) on the following terms:

1.

The Company must issue 100,000 common shares upon execution of the Agreement (issued);

2. Although the Company has not made its cash payments in accordance with the Agreement, BC Ltd has agreed to uphold the Agreement to date. In accordance with the Agreement, the Company is obliged make cash payments totalling CAD$250,000 as follows:

-

August 15, 2006 - $10,000; (paid)

-

September 15, 2006 - $12,500; (paid)

-

November 15, 2006 - $12,500; (unpaid)

-

$12,500 on or before January 15, 2007, and instalment payments of $12,500 quarterly thereafter on or before the 15th days of April, July October and January of each year until the total of $250,000 has been paid or satisfied;

Although the Company has not made its cash payments in accordance with the Agreement, BC Ltd has not given the Company a notice of default in terms of the Agreement.

Note 4

Mineral Properties - (continued)

c) Rock Creek Claims, British Columbia, Canada (Continued)

3. The Company must issue 500,000 common shares in four equal tranches of 125,000 each on or before the 15th of October in each of 2006, 2007, 2008 and 2009. During the year November 30, 2006, the Company issued 125,000 shares;

4. The Company must incur exploration expenses of $1,000,000 over a period of five years from the date of the Agreement. BC Ltd has a 56% interest in mineral claims located in the Rock Creek area of British Columbia, Canada.

Due to the preliminary stage of exploration activities on the Company s properties, all mineral property acquisition cost have been expensed.

Note 5

Capital Stock

The total number of common shares authorized that may be issued by the Company is 200,000,000 shares with a par value of one tenth of one cent ($0.001) per share and no other class of shares is authorized. At November 30, 2007 there were 37,588,267 shares issued and outstanding (2006 25,998,502).

During the year ended November 30, 2006, the Company issued:

-

475,000 shares of common stock pursuant the proposed acquisition of a mineral property (See note 4);

-

4,291,000 shares of common stock with a fair value of $1,390,284 to a director for business and consulting. These shares were cancelled during the year (See notes 3 and 6);

-

2,630,000 shares of common stock with a fair value of $462,879 to its directors for the services provided to date (See Note 6);

-

158,016 shares of common stock with a fair value of $23,702 pursuant to a debt settlement agreement;

-

3,463,825 shares of common stock with a fair value of $155,873 pursuant to a debt settlement agreement (See note 6); and

-

2,502,976 shares of common stock for cash proceeds of $507,946.

During the year ended November 30, 2007, the Company issued:

-

265,691 shares of common stock for cash proceeds of $50,425;

- 11,324,064 shares of common stock with a fair value of $237,813 pursuant to a debt settlement agreement (See Note 6); and

As at November 30, 2007, the Company has not granted any stock options or warrants.

Note 6

Related Party Transactions

The Company paid or incurred the following amounts to directors of the Company, a former director and/or companies with common directors or officers:

	2007	2006
General and administrative:		
Consulting fees	$ 40,000	$ 488,065
Interest on loans	9,221	-
Management fees	200,000	270,000
	$ 249,221	$ 758,065

The consulting and management fees were measured at the exchange amount which is the amount agreed upon by the transacting parties.

Amounts due to related parties at November 30, 2006 are due to directors of the Company in respect to unpaid management fees and cash advances amounting to $132,938. These amounts are unsecured. The amounts due for unpaid management fees have no specific terms for repayment while the amounts due for cash advances are due on December 31, 2006. The amounts due for unpaid management fees are non-interest bearing while the amounts due for cash advances bear interest at a rate of 10% per annum and due deman.

During the year ended November 30, 2006, the Company issued 4,291,000 shares of its common stock with a fair value of $1,390,284 to a former director for services to be rendered during the 2006 fiscal year. Initially this amount was deferred and expensed over the duration of the 2006 fiscal year. On April 26, 2006 the services of this director were terminated (See Note 3). During the period ended May 31, 2006 the Company expensed the deferred amount of $1,039,495 as no further services will be rendered by this former director. The Company cancelled these shares in full during the year ended November 30, 2006.

During the year ended November 30, 2006, the Company issued 3,630,000 shares of its common stock with a fair value of $638,880 to its directors and former director for the services provided. The Company cancelled 1,000,000 of these shares issued to a former director of the company during the year ended November 30, 2006.

During the year ended November 30, 2006, the Company issued 3,463,825 shares of its common stock with a fair value of $155,873 to directors and a company with common directors pursuant to debt settlement agreements.

During the year ended November 30, 2007, the Company issued 11,324,064 shares of its common stock with a fair value of $237,813 to directors pursuant to debt settlement agreements.

Amounts due to related parties at November 30, 2007 are due to directors of the Company in respect to unpaid management fees and cash advances amounting to $200,081. These amounts are unsecured. The amounts due for unpaid management fees are non-interest bearing while the amounts due for cash advances bear interest at a rate of 10% per annum and due demand.

Note 7

Non-cash Transactions

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statement of cash flows.

During the year ended November 30, 2006 the Company issued:

a) 100,000 common shares valued at $0.10 per share and 375,000 common shares valued at $0.15 per share pursuant to the option agreement with BC Ltd;

b)

4,291,000 shares of common stock with a fair value of $1,390,284 to a former director, who was terminated (See note 3), for business and consulting services to be provided;

c)

3,630,000 shares of common stock with a fair value of $638,880 to its directors for the services provided to date (See Note 6);

d)

158,016 shares of common stock with a fair value of $23,703 pursuant to a debt settlement agreement; and

e)

3,463,825 shares of common stock with a fair value of $155,873 pursuant to a debt settlement agreement (See Note 6).

During the year ended November 30, 2007 the Company issued:

a)

11,324,074 shares of common stock with a fair value of $237,813 pursuant to a debt settlement agreement (See Note 6); and

Note 8

Income taxes

The significant components of the Company s deferred tax assets are as follows:

	2007	2006
Deferred tax assets		
Non-capital loss carry forwards	$	$
	1,667,984	1,518,784
Valuation allowance for deferred tax assets	(1,667,984)	(1,518,784)
	$	$
	-	-

The amount taken into income as deferred tax assets must reflect that portion of the income tax loss carry forwards which is more likely than not to be realized from future operations. The Company has provided an allowance of 100% against all available income tax loss carry forwards, regardless of their time of expiry, as it is more likely than not that all of the deferred tax assets will not be realized. No provision for income taxes has been provided in these financial statements due to the net loss. At November 30, 2007, the Company has net operating loss carry forwards, which expire commencing in 2019 totaling approximately $4,903,000 (2006: $4,467,000).

ITEM 8. CHANGES IN AND DISAGREEMENT WITH ACCOUNTANTS ON ACCOUNTING FINANCIAL

DISCLOSURE

We have no changes in and disagreement with our accountants on accounting financial disclosure

ITEM 8A: CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls

The Principal Executive Officer and Principal Financial Officer conducted an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. Based on that evaluation, the Principal Executive Officer and Principal Financial Officer concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this report. There were no significant changes in internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during the fourth quarter of 2005 that have materially affected, or are reasonably likely to materially affect, the Company's internal control

over financial reporting.

PART III

ITEM 9: DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS

Served As Director

Name Age

Position with Registrant

or Officer Since

---- ---

President, Director,

Peter Flueck 56

Chairman of the Board

March 21, 2003

The following describes the business experience of the Company's directors and executive officers, including other directorships held in reporting companies:

Each director of the Company serves for a term of one year and until his successor is elected at the Company's annual shareholders' meeting and is qualified, subject to removal by the Company's shareholders. Each officer serves, at the pleasure of the board of directors, for a term of one year and until his successor is elected at the annual general meeting of the board of directors and is qualified.

Set forth below is certain biographical information regarding each of the Company's executive officers and directors.

Peter Flueck

Mr. Flueck brings to the Company a wealth of experience, not only in the resource sector, but with extensive experience in Peru as well. He is presently the President and sole shareholder of Grand Combe Developments Ltd., a Canadian development company based in Edmonton, Alberta. He has recently been the President of several mining companies based in Peru, including Blower Investments A.V.V., Condor Resources A.V.V. Aruba, the Recursos Mineros El Dorado and the Minera El Serrano, Peru.

He was also involved in the acquisition of several key mining properties in Peru and headed up a series of negotiations with mining concerns there in order to raise investor capital and to initiate the development of the Mercedes property in Peru. Prior to his involvement within the mining industry,

Mr. Flueck was Vice President of Western Timber Export Ltd., an Alberta-based company specializing in harvesting; sawmill production, pipeline contracting, production sales and contract bidding.

ITEM 10. EXECUTIVE COMPENSATION

The table below summarizes all compensation awarded to, earned by, or paid to our executive officers by any person for all services rendered in all capacities to us for the fiscal year ended November 30, 2007.

Other

Restricted LTIP

All

Annual

Options/ pay-

Other

Compen-

Stock

SARS outs

Compen-

Name

Title

Year

Salary

Bonus

sation

Awards

(#)

($)

sation

----- ---- ------

----- ------------ ------- -------- ----------- ----------

Peter Flueck President 2007 $120,000 0

0

0 0 0 0

2006 $120,000 0

0 0 0 0 0

Zaf Sungur COO,

Secretary 2007 $ 80,000 0

0 0 0 0 0

Treasurer 2006 $120,000 0

0 0 0 0 0

Section 16(A) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our executive officers and directors, and persons who beneficially own more than 10% of our equity securities, to file reports of ownership and changes in ownership with the Securities and Exchange Commission. Officers, directors and greater than 10%

shareholders are required by SEC regulation to furnish us with copies of all Section 16(a) forms they file. Based on our review of the copies of such forms we received, we believe that during the fiscal year ended November 30, 2005 all such filing requirements applicable to our officers and directors were complied with exception that reports were filed late by the following persons:

Number Transactions

Known Failures

Name and

Of late Not Timely

to file a

Principal position

Reports Reported

Required Form

------- ------------

Peter Flueck

0 0

0

Zaf Sungur

0 0

0

ITEM 11: SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding the beneficial ownership of our shares of common stock at November 30, 2007 by (i) each person known by us to be the beneficial owner of more than 5% of our outstanding shares of common stock, (ii) each of our directors, (iii) our executive officers, and (iv) by all of our directors and executive officers as a group. Each person named in the table, has sole voting and investment power with respect to all shares shown as beneficially owned by such person and can be contacted at our executive office address.

NAME OF

SHARES OF

TITLE OF CLASS

BENEFICIAL OWNER

COMMON STOCK PERCENT OF CLASS

Common

Peter Flueck

15,155,555

40.31%

18912-121 Ave. N.W.

Edmonton, Alberta

T5V 1R3

Common

Zaf Sungur

7,522,796

20.01%

2005 - 837 W. Hastings

Vancouver, B.C.

V6C 1B6

DIRECTORS AND

15,155,555

40.31%

OFFICERS AS A

GROUP CONSISTING

OF TWO PEOPLE

The percent of class is based on 37,588,267 shares of common stock issued and outstanding as of March 8, 2008.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

During the fiscal year ended November 30, 2007, we paid or accrued management fees to each of the following individuals as follows:

- Peter Flueck, our president

- $120,000;

- Zaf Sungur, our COO, secretary and treasurer

- $80,000;

On July 19, 2007, Zaf Sungur resigned from his positions as COO and Director of the Company.

During the fiscal year 2003, the Company entered into an agreement with its president, Peter Flueck, whereby the Company has agreed to purchase a 100% interest in six mineral concessions comprising a total of 2,550 hectares located in Ahuigrande

Parish, Comas District, Concepcion Province of the Department of Junin, Peru. Pursuant to the agreement, as amended, the Company must issue 5,000,000 shares of common stock (issued) to the directors of the Company and pay $22,500 (paid) to Peter Flueck.

Otherwise, none of our directors or officers, nor any proposed nominee for election as a director, nor any person who beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to all of our outstanding shares, nor any promoter, nor any relative or spouse of any of the foregoing persons has any material interest, direct or indirect, in any transaction since our incorporation or in any presently proposed transaction which, in either case, has or will materially affect us.

Our management is involved in other business activities and may, in the future become involved in other business opportunities. If a specific business opportunity becomes available, such persons may face a conflict in selecting between our business and their other business interests. In the event that a conflict of interest arises at a meeting of our directors, a director who has such a conflict will disclose his interest in a proposed transaction and will abstain from voting for or against the approval of such transaction.

PART IV

Exhibits

10.2 Binding Letter of Agreement Between Jemma Resources Corp. and

Brookmount Explorations, Inc.

31.1 Certification pursuant to Rule 13a-14(a) under the Securities Exchange

Act of 1934

31.2 Certification pursuant to Rule 13a-14(a) under the Securities Exchange

Act of 1934

32.1 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant

to Section 906 of the Sarbanes-Oxley Act of 2002

32.2 Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant

to Section 906 of the Sarbanes-Oxley Act of 2002

ITEM 14: PRINCIPAL ACCOUNTANT FEES AND SERVICES

Our current principal accountants, Dale Matheson Carr-Hilton Labonte,Chartered Accountants billed the following fees for the services indicated.

Fiscal year ended Fiscal year ended

November 30, 2007 November 30, 2006

Audit fees

$24,000

$18,000

Audit-related fees

$6,000

$4,000

Tax fees

All other fees

Audit fees consist of fees related to professional services rendered in connection with the audit of our annual financial statements, the review of the financial statements included in each of our quarterly reports on Form 10-QSB.

The Company does not have an audit committee. Our board of directors approves all costs associated with our outside auditors. The Board's policy is to pre-approve all audit and permissible non-audit services performed by the independent accountants. These services may include audit services, audit-related services, tax services and other services. Under our Board's policy, pre-approval is generally provided for particular services or categories of services, including planned services, project based services and routine consultations. In addition, the Board may also pre-approve particular services on a case-by-case basis. Our Board approved all services that our independent accountants provided to us during the past two fiscal years.

SIGNATURES

Pursuant to the requirements of Section 13 and 15 (d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Brookmount Explorations Inc.

By: /s/ Peter Flueck

Peter Flueck

President & Director

Date: March 8, 2008

In accordance with the Securities Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Peter Flueck

Peter Flueck

President & Director

Date: March 08, 2008