ONA ENERGY INC.

(formerly ONA Exploration Inc.)

Consolidated Interim Financial Statements

June 30, 2007

These consolidated financial statements have not been reviewed by the Company' auditors.

ONA ENERGY INC.
(formerly ONA Exploration Inc.)
Consolidated Balance Sheets
As at

	June 30, 2007 *(Unaudited)*	September 30, 2006
	$	$
ASSETS		
Current		
Cash and short-term deposits	218,544	184,056
Short-term investments	1,992,000	1,000,000
Amounts receivable and prepaid expenses	25,447	61,016
	2,235,991	1,245,072
Investment in Power Plants (note 3)	4,482,324	1,700,000
Oil and gas property costs (note 4)	752,981	705,298
Equipment (note 5)	6,163	7,360
	7,477,459	3,657,730
LIABILITIES		
Current		
Accounts payable and accrued liabilities	26,531	51,662
SHAREHOLDERS' EQUITY		
Share capital (note 6(a))	10,142,754	6,050,830
Contributed surplus (note 6 (d))	2,867,973	2,825,493
Deficit	(5,559,799)	(5,270,255)
	7,450,928	3,606,068
	7,477,459	3,657,730

Approved by the Board of Directors:

"John Wong" — Director

"Curt Huber" — Director

See notes to the consolidated financial statements

ONA ENERGY INC.
(formerly ONA Exploration Inc.)
Consolidated Statements of Operations and Deficit
(Unaudited)

	For the Three Months ended June 30,		For the Nine Months ended June 30,	
	2007	2006	2007	2006
	$	$	$	$
Expenses				
Administrative Fees	805	-	2,823	6,707
Amortization	399	447	1,197	631
Audit and accounting fees	1,500	2,700	13,930	15,700
Consulting	19,510	10,500	84,338	21,280
Finders fee	-	-	-	81,250
Foreign exchange loss	2,322	-	1,842	-
Interest income	(76,911)	-	(80,900)	(74)
Legal	21,742	22,125	50,372	66,847
Office	3,467	5,270	10,383	16,120
Property investigation	-	-	-	4,000
Rent	30,000	30,168	90,000	63,280
Salaries	-	-	1,875	-
Shareholders communication	4,516	-	4,516	37,756
Stock-option compensation	42,480	-	42,480	2,653,200
Travel and accommodation	9,769	42,822	41,177	63,922
Trust and filing	12,465	4,192	25,512	91,896
Net loss for the period	(72,064)	(118,224)	(289,545)	(3,122,515)
Deficit, beginning of period	(5,487,735)	(4,704,957)	(5,270,254)	(1,700,666)
Deficit, end of period	(5,559,799)	(4,823,181)	(5,559,799)	(4,823,181)
Loss per share	$ (0.00)	$ (0.01)	$ (0.01)	$ (0.17)
Weighted average number of shares	24,443,093	20,212,897	24,146,691	18,576,883

See notes to the consolidated financial statements

ONA ENERGY INC.
(formerly ONA Exploration Inc.)
Consolidated Statements of Cash Flows
(Unaudited)

	For the Three Months ended June 30,		For the Nine Months ended June 30,	
	2007	2006	2007	2006
	$	$	$	$
Cash provided by (used for):				
Operations				
Net loss for the period	(72,064)	(118,224)	(289,545)	(3,122,515)
Items not affecting cash:				
Amortization	399	-	1,197	-
Future income tax recovery	-	447	-	631
Stock-option compensation	42,480	-	42,480	2,653,200
	(29,185)	(117,777)	(245,868)	(468,684)
Changes in non-cash working capital components:				
Accounts payable and accrued liabilities	17,991	5,687	(25,130)	(19,305)
Amounts receivable and prepaid expense	17,411	(18,928)	35,569	(32,853)
	6,217	(131,018)	(235,429)	(520,842)
Investing Activities				
Purchase of power plant	(2,782,324)	-	(2,782,324)	-
Equipment	-	(2,780)	-	(3,529)
Oil and gas property costs	-	(91,429)	(47,683)	(595,550)
	(2,782,324)	(94,209)	(2,830,007)	(599,079)
Financing Activities				
Purchase of short term investments	-	-	(4,200,000)	-
Proceeds from short term investments	2,958,000	-	3,208,000	-
Share subscriptions refundable	-	(5,500,000)	-	-
Cash from shares issued	-	367,500	4,528,999	2,331,186
Share issue costs	-	-	(437,075)	(4,710)
	2,958,000	(5,132,500)	3,099,924	2,326,476
Net cash provided (used) during the period	181,893	(5,357,727)	34,488	1,206,555
Cash, beginning of period	36,651	6,926,881	184,056	362,599
Cash, end of period	218,544	1,569,154	218,544	1,569,154

See notes to the consolidated financial statements

ONA ENERGY INC.
(formerly ONA Exploration Inc.)
Consolidated Schedule of Oil and Gas Property Costs

	September 30, 2006	Net Expenditures	June 30, 2007
	$	$	$
INDONESIA			
Dutch Oil Wells			
Keluang property			
Acquisition	303,949	-	303,949
Assays and reports	19,360	9,150	28,510
Geological and geophysical	-	14,520	14,520
Travel and accommodation	39,019	4,747	43,766
	362,328	28,417	390,745
Karangringin Property			
Acquisition	151,975	-	151,975
Geological and geophysical	-	7,260	7,260
Travel and accommodation	19,509	2,373	21,882
	171,484	9,633	181,117
Suban Burung Property			
Acquisition	151,975	-	151,975
Geological and geophysical	-	7,260	7,260
Travel and accommodation	19,509	2,373	21,882
	171,484	9,633	181,117
CANADA			
Dyberg property			
Acquisition	1	-	1
Hunkson property			
Acquisition	1	-	1
Total Oil and Gas Property Costs	705,298	47,683	752,981

See notes to the consolidated financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company changed its name to ONA Energy Inc on May 22, 2007. The Company's major activity is the energy business and oil and gas exploration and development of mineral properties. The recoverability of amounts shown for its properties is dependent upon the discovery of economically recoverable reserves. The Company does not generate cash flows from operations and has therefore relied principally upon the issuance of equity securities to finance its exploration activities. The Company intends to continue relying upon the issuance of equity securities to finance its operations and exploration activities to the extent that such instruments are issuable under terms acceptable to the Company. Accordingly, the Company's interim financial statements are presented on a going concern basis, which assumes that the Company will continue to realize its assets and discharge its liabilities in the normal course of operations. If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case the realizable values of its assets may decline materially from current estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting principles and use of estimates

The accompanying unaudited interim financial statements of the Company are prepared in accordance with Canadian generally accepted accounting principles for interim financial statements. These interim financial statements should be read in conjunction with the Company's annual audited financial statements dated September 30, 2006. All material adjustments which, in the opinion of management, are necessary for a fair presentation of the results for the interim periods have been reflected. The results for the nine month period ended June 30, 2007 are stated utilizing the same accounting policies as those reflected in the Company's most recent annual financial statements, but these interim figures are not necessarily indicative of the results to be expected for the full year.

3. INVESTMENT IN POWER PLANTS

Yongxing Power Plant Project, China

On August 21, 2007, the Company announced that it had completed the acquisition of a 60% equity interest in the Yongxing Power Plant Corporation (YPPC), a Sino-foreign Joint Venture. YPPC holds the right to construct a coal-fired power plant in Yongxing County, Hunan Province, China capable of producing up to 240 Mega-Watts (MW) of power. The first phase of the power plant is currently under construction, and consists of two 60 MW units. Construction of the first 60 MW unit has a targeted completion date of December 2007. Ona acquired its interest in YPPC for US$10.46 million.

Under the terms of the acquisition, the Company will take over the control and operation of YPPC including the completion of the first phase of the project (2 x 60 MW) as well as the development of the second phase of the project.

YPPC is currently seeking approval to expand the second phase of the power plant from two 60 MW units to two 135 MW units for a total production capacity of 390 MW.

Medan Power Plant Project, Indonesia

On June 20, 2006, the Company entered into an agreement to acquire a 51% interest in a joint venture to construct and own a 3x35 MW coal fired power plant in Medan, North Sumatra, Indonesia in consideration for the issue of 1,000,000 shares to Can Power Corporation ("CPC"), a private related British Columbia company. The Company has not yet financed nor commenced construction of the plant to date.

4. OIL AND GAS PROPERTIES

Dutch Oil Wells Project, Indonesia

The Dutch Oil Wells Project is made up of three historic oil fields in South Sumatra, Indonesia, The Company acquired an interest in a joint venture agreement to rework and develop these fields.

All projects are held in PT. Muba Ona Oil, the Company’s 80% held Foreign Investment Company in Indonesia, which is a joint venture with P.T. Petro Muba ("PTPM"), an agency of the Musi Banyuasin ("MUBA") Local Government Regency. Rights of the projects are governed under a Production Sharing Contract (PSC) within the MUBA Regency. The agreement provides for the management and rehabilitation of the abandoned oil wells located within the boundary of the Corridor Block PSC area in the Keluang, Karangringin, and Suban Baru oil fields being an area that was previously managed by ConocoPhillips. Under this agreement, the Company is entitled to 80% of the net profit of the Contractor's take, after expenses and taxes under the PSC with the Indonesian government.

Dyberg Prospect, Alberta
Canada

During the 2005 fiscal year, the Company had entered into an agreement whereby the Company was granted the right to earn up to a 22.5% Working Interest before payout (13.75% after payout) in the Dyberg Prospect by contributing 25% of the costs associated with the drilling of a test well. The Company has paid $106,800 under the agreement; however, during the year, the Company wrote down its interest to $1, pending a technical review of the project and resolution of costs.

5. EQUIPMENT

	June 30, 2007			September 31, 2006
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	$	$	$	$
Computer equipment	6,029	3,139	2,890	3,729
Office equipment	3,896	623	3,273	3,631
	9,925	3,762	6,163	7,360

6. **SHARE CAPITAL**

a) Authorized share capital consists of: unlimited common shares without par value.
unlimited preference shares without par value

Issued:

	Number of shares	Amount
		$
Issued at September 30, 2006	21,330,260	6,050,830
Private placements	2,925,833	(1) 3,951,674
Warrants	187,000	140,250
Issued at June 30, 2007	24,443,093	10,142,754

(1) Net of share issue costs of $437,075.

b) Summary of stock options outstanding:

Expiry Date	Exercise Price	September 30, 2006	Granted	Cancelled	June 30, 2007
	$				
May 27, 2012	1.00	-	100,000	-	100,000
February 28, 2010	0.60	125,000	-	-	125,000
August 17, 2011	1.50	1,001,000	-	(100,000)	901,000
September 11, 2011	1.50	1,000,000	-	(75,000)	925,000
		2,126,000	100,000	(175,000)	2,051,000
Weighted average exercise price		$ 1.45	$ 1.00	$ 1.50	$ 1.42
Weighted average remaining life		4.83			4.17

c) Warrants outstanding

The continuity of the Company's share purchase warrants is a follows:

Expiry Date	Exercise Price	Balance September 30, 2006	Changes in the period			Balance June 30, 2007
			Issued	Exercised	Expired	
	$					
November 24, 2007	0.75	880,000	-	(187,000)	-	693,000
April 25, 2008	1.75	-	2,925,833	-	-	2,925,833
		880,000	2,925,833	(187,000)	-	3,618,833
Weighted average Exercise Price		$ 0.75	$ 1.75	$ 0.75	$ -	$ 1.56

6. **SHARE CAPITAL** *(continued)*

c) Contributed surplus

During the period ended June 30, 2007, the Company recorded an estimated fair value of $42,480 (September 30, 2006 - $2,845,758) for stock-option compensation.

The fair value of the share purchase options was estimated using the Black-Scholes option pricing model with the following assumptions: risk-free interest rates of 3.50% (September 30, 2006 - 3.00%), no dividend yield, volatility factor of 75% (September 30, 2006 - 114%), and an expected life of 2 years (September 30, 2006 - ½ - 2 ½ years).

	$
Balance at September 30, 2006	2,825,493
Non-cash stock-option compensation	42,480
Contributed surplus transferred to share capital on options exercised	-
Balance at June 30, 2007	2,867,973

7. **PT MUBA ONA OIL JOINT VENTURE COMPANY**

During the year ended September 30, 2006, the Company acquired an 80% interest in a Joint Venture Company ("PT Muba Ona Oil").

The Company's proportionate interest in the accounts of PT Muba Ona Oil included in these financial statements are as follows:

Balance sheet as at	June 30, 2007	September 30, 2006
	$	$
Current assets	29,599	39,610
Long-term assets	216,371	163,947
Total assets	245,970	203,557
Current liabilities	-	(599)
Net loss	(7,727)	(21,851)
Cash flows for the period ended September 30, 2006:		
Operating activities	(7,727)	(21,252)
Investing activities - property costs and equipment	(1,686)	(163,947)
Net cash used during the period	(9,413)	185,199

8. **SUBSEQUENT EVENTS**

On August 21, 2007 the Company announced completion of the acquisition of a 60% equity interest in the Yongxing Power Plant Corporation (YPPC), a Sino-foreign Joint Venture for a total price of $US 10.46 million.

The acquisition w as primarily funded through a Private Placement in July, 2007 for gross proceeds of $8,864,724. These proceeds are also to be used to fund a consulting contract to build and operate the Plant. Pursuant to the private placement, the company has issued shares for proceeds of $3,844,724. Each unit will consist of one common share and one common share purchase warrant. Each share purchase warrant is exercisable into one additional common share at a price of $1.50 per common share for a period of 2 years. The warrants are subject to an accelerated exercise provision if after 120 days from closing the company's shares trade at $2.50 or greater for 10 consecutive days, in which event the warrants will expire if not exercised within 30 days.

The company also sold an aggregate of $5,000,000 of 10% unsecured convertible debentures, maturing in one year, convertible into units as described above. As additional consideration for the purchase of the debentures, the company sold 2,000,000 bonus warrants at $0.01 per warrant, each warrant having an exercise price of $0.74 per share.

August 27, 2007

Management's Discussion and Analysis

ONA ENERGY

ONA ENERGY INC.

(Formerly Ona Exploration Inc.)

3rd Quarter Report
Nine months ended June 30, 2007

ONA ENERGY INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
3rd Quarter Report – June 30, 2007

The following discussion and analysis of the operations, results, and financial position of the Company for the six months ended **June 30, 2007** should be read in conjunction with the **June 30, 2007** unaudited Financial Statements and the related Notes and the audited annual financial statements and related notes for the year ended September 30, 2006. The effective date of this report is August 22 , 2007.

Forward Looking Statements

Except for historical information, the Management's Discussion and Analysis ("MD&A") may contain forward looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance, or achievement expressed of implied by these forward looking statements.

Business Description

Ona was incorporated under the Business Corporation Act of Alberta on August 31, 1998 and continued into British Columbia on January 30, 2006. On May 22, 2007, the Company changed its name from Ona Exploration to Ona Energy Inc. As of June 21, 2006, the Company's shares were publicly traded on the CNQ under the symbol "OEIX". Prior to that, our shares were traded on the TSX Venture Exchange ("TSX-V") under the symbol "OEI". The Company delisted its shares from the TSX.V at the close of business on June 21, 2006. In addition to the CNQ, the Company also trades on the Frankfurt Exchange under the symbol "O3X".

Ona Energy Inc. is a Canadian-based international energy company focused on the acquisition and development of power generation and oil & gas projects. The Company currently is working on projects in Alberta, Canada, North and South Sumatra, Indonesia and China.

Management continues to actively evaluate additional resource prospects for acquisition by the Company.

Overview of Projects

240 MW Coal-Fired Power Plant – Yongxing, China

In March, 2007 Ona announced that the Company had signed a letter of intent with Yongxing Power Plant Corporation (YPPC) to formalize ongoing discussions for the acquisition of a 60% joint venture interest in a 240 Mega Watt (MW) coal-fired power plant in Yongxing County, Chenzhou City, Hunan Province, China. In May, 2007, the Company announced that it formalized an Acquisition Agreement with the Yongxing Power Plant Corporation (YPPC) and its shareholders pursuant to which the Company has the right to acquire a 60% equity interest in YPPC. On August 21, 2007 the Company announced that it had completed the acquisition of YPPC. Ona has paid US$10.46 mil for this acquisition.

YPPC is an existing Sino-Foreign Joint Venture Company that holds the right to develop the 240 megawatt (MW) coal-fired Yongxing Power Plant located in Yongxing County, Chenzhou City, Hunan Province, China. The YPPC power plant will be comprised of up to four 60 MW units. Construction of the first 60 MW unit is currently underway and is scheduled to be completed by the end of December 2007. The second unit is anticipated to be ready to generate electricity approximately one year later. The current shareholders of YPPC will complete and contribute the first 60 MW unit for a 40% interest in YPPC. To complete the second 60 MW unit, the Company will work with YPPC to arrange secured funding estimated at between US$28.4 and US$38.75 million, using the first 60 MW unit as collateral. Under the Hunan Reform and Development Committee's

Certificate of Approval, there is provision for an additional two 60 MW units to be built after the completion of the first two 60 MW units. This would give this power plant project a total capacity of 240 MW upon completion of the third and fourth units which are anticipated to begin construction shortly after the completion of the first two units.

YPPC is currently seeking approval to expand the second phase of the power plant from two 60 MW units to two 135 MW units for a total production capacity of 390 MW.

In accordance with Chinese law, YPPC applied to the China Foreign Investment Bureau for a certificate of approval of the share transfer modifications from the three existing shareholders of YPPC to Ona . The requested Certificate of Approval has now been received Ona had until July 31, 2007 to advance the capital required for the purchase and complete the acquisition. Ona had placed US$2,320,000 in an account established by the State Administered Foreign Exchange ("SAFE") pending an independent review of the Joint Venture expenditures to date. The Company raised $ 8,864,724 in July, 2007 through two private placements to complete this acquisition. Upon completion of the transaction the Company will hold a 60% equity interest in Yongxing Power Plant, Yongxing County Hydro Authority will hold 20% and Hong Kong Modern Develop Limited will hold 20%.

The Company has also engaged the First Industry (Power Plant) Design Institute of Hunan to provide the necessary consulting services as required to develop and operate the power plant. First Industry, as consultants, will provide services including identifying engineering firms, assisting in hiring and training power plant operators, and other industry related services in connection with developing and operating of the power plant for a term of one year. The consulting fee will be US$1,500,000, of which $500,000 will be paid by issuing 500,000 shares of Ona, and is due upon completion of the acquisition. The Company has paid a non-refundable retainer of US$250,000 which will be applied towards the consulting fee. The balance of the fee was paid July 31, 2007.

Power Plant Project - North Sumatra, Indonesia

In June 2006, the Company acquired a 51% interest in a joint venture (JV) to construct and own a 3 x 35 MW coal-fired power plant in Medan, North Sumatra, Indonesia.

PT Cahaya Sakti, Ona's JV partner shall transfer to the Company a 51% controlling interest in the project. Cahaya Sakti has all of the major approvals and documents in place for the Project, including the Power Purchase Agreement (PPA), Long Term Fuel Supply Agreement, and Environmental Permits.

In addition, PT Cahaya Sakti's wholly owned subsidiary, Pt. Turbindo, has a large coal mine concession covering 22,500 hectares. The deposit contains an estimated 50 million tonnes of coal rated at 4,500 to 5,200 kcal/kg. The deposit located in Palembang, Southern Sumatra, Indonesia, is ready to be exploited and will guarantee the fuel supply for the proposed power plant under a long-term contract.

The terms of the PPA are as follows:

- The term of electrical power sales is for 20 years
- The electrical power, with a minimum dependable capacity of 50 MW over a period of 8760 house per annum, amounting to 438,000,000 kW-hr per annum is to supply the Medan Industrial Estate.
- The sale price of electricity is approximately US$0.05/kW-hr for first year through to the third year, thereafter; it is increased by 2% annum for the minimum contract amount.
- The sale price for electrical power in excess of the minimum amount contracted is approximately US$0.04775/kW-hr thereafter; it is increase by 2% annum.

The estimated capital cost of the power plant is about US $110 million. PT Cahaya Sakti shall use the equivalent of 20% of the project value in coal as a down payment, and financing shall be negotiated and arranged with the turnkey contractor who will provide the remainder of the project value. The estimated annual gross revenue of the proposed power plant is in excess of US $29 million subject to a 2% increase annually. To date, construction on the power plant has not begun.

Dutch Oil Wells Project – South Sumatra, Indonesia

The Dutch Oil Wells Project is made up of three historic oil fields in South Sumatra, Indonesia, The Company acquired an interest in a joint venture agreement to rework and develop these fields.

All projects are held in PT. Muba Ona Oil, the Company's 80% held Foreign Investment Company in Indonesia, which is a joint venture with P.T. Petro Muba ("PTPM"), an agency of the Musi Banyuasin ("MUBA") Local Government Regency. Rights of the projects are governed under a Production Sharing Contract (PSC) within the MUBA Regency. The agreement provides for the management and rehabilitation of the abandoned oil wells located within the boundary of the Corridor Block PSC area in the Keluang, Karangringin, and Suban Baru oil fields being an area that was previously managed by ConocoPhillips. Under this agreement, the Company is entitled to 80% of the net profit of the Contractor's take, after expenses and taxes under the PSC with the Indonesian government.

The Dutch Oil Wells comprise approximately 300 abandoned Dutch Oil Wells situated in Keluang, Karangringin and the Suban Burung oilfields. Many of these wells have been capped since 1945, when the Japanese turned the country back to the Indonesians and not the Dutch. Through geological modeling, typical to this area, it would appear that the pay zone reservoirs are being recharged through sub-surface fluid movements. The regency of Musi Banyuasin has the rights to these Dutch oil wells.

The Company commissioned two separate 51-101 reports relating to the Dutch Oil Wells Project. The first report from Chapman Petroleum Engineering Ltd. of Calgary, Alberta, dealt with primary recovery of the Company's main Dutch Oil Wells asset, the Keluang field. In their report of March 1, 2006, it was reported that there were primary oil reserves recoverable of 1,806,948 stb. A further report commissioned from Calco Geological & Engineering from Calgary, Alberta. In the Calco report of November 1, 2006 it was reported that by utilizing secondary and tertiary recovery methods, namely horizontal well bore holes with down dip and/or central pool water flood, Calco reported that the estimated remaining recoverable reserves in the field range from 15,000,000 to 25,000,000 stb.

The Calco report recommended a work program that involves the development of all five compartments in the Keluang oilfield. The initial phase provides for development to produce secondary reserves within Compartment "E" of the Keluang oilfield. The proposed development includes four horizontal producing wells, 2 vertical producing wells, 4 horizontal water injection wells, satellite battery gathering lines and water injection has an estimated capital cost of US$8.5 million. The forecast production from compartment "E" of the Keluang oil field is 4.5 million STB.

Three additional work program phases have been proposed for subsequent years. Gross capital expenditures for all four phases have been estimated at US$38 mil. Under the terms of the Indonesian Production Sharing Contracts (PSC), capital expenditures are 100% recoverable from production prior to taxes and split with the government. To date, work has not commenced at the project.

Dyberg oil well project – Alberta, Canada

During the 2005 fiscal year the Company had entered into an agreement whereby the Company was granted the right to earn up to a 22.5% Working Interest before payout (13.75% after payout), in the Dyberg Prospect by contributing 25% of the costs associated with the drilling of a test well. The Company has paid $106,800 under the agreement. However during the 2006 fiscal year, the Company wrote-down its interest to $1.00, pending a technical review of the project and resolution of costs.

Results of Operations

Year to date (9 months)

Ona reported a increase in cash from $184,056 at September 30, 2006 to $ 218,544 at June 30, 2007 and short-term investments increase from $1,000,000 at September 30, 2006 to $ 1,992.000 at March 31, 2007 with total assets increasing $ 3,819,729. There were no new common shares issued in the quarter. The issued share capital remained at 24,443,093 common shares at June 30, 2007.

The company invested $ 2,782,324 in the Yongxing Power Plant in the quarter raising the total invested to $ 4,482,324 from 1,700,000 at June 30, 2007.

The carrying value of our Oil and Gas Properties increased to $ 752,981 at June 30, 2007 from $705,298 in September 30, 2006. There was no new investment in this area in the quarter .

In the quarter Ona granted no Stock Options.

The loss for the nine months ended June 30, 2007 was $ 289,545 compared to $ 3,122,515 for the same period in 2006. The losses in both periods are fully attributable to general & Administrative expenses. The main difference was stock-option compensation in the amount of $ $ 42,480 in 2007 versus $ 2,653,200 in the same period in 2006.

Share Structure

Authorized Unlimited common shares without par value
Unlimited preferred shares without par value

Common shares issued:

	Number	Amount
Balance at September 30, 2006	21,330,260	$ 6,050,830
Private placements	2,925,833	3,951,674
Warrants	187,000	140,250
Balance, at June 30, 2007	24,443,0931	$ 10,142,754

The continuity of the Company's share purchase warrants is as follows:

Expiry dates	Exercise Prices	Balance Sept 30 2006	Changes in the period Issued	Exercised	Expired	Balance June 30 2007
April 25, 2008	$ 1.75	-	2,925,833	-	-	2,925,833
November 24, 2007	$ 0.75	880,000	-	(187,000)	-	693,000
		880,000	2,925,833	(157,000)	-	3,618,833
Weighted average Exercise price		$ 0.75	$ 1.75	$ 0.75	-	$ 1.56

On March 23, 2007, the company was granted an exemption by the CNQ to amend the terms of warrants issued as part of the Company's October, 2006 private placement. The October private placement included 2,925,833 warrants exercisable at a price of $1.75, expiring on April 25, 2007. Under the new terms of the warrant, they will remain exercisable at a price of $1.75, but the expiry date will be extended to April 25, 2008.

The continuity of the Company's share purchase options is as follows:

Expiry dates	Exercise prices ($)	Balance September 30, 2006	Issued	Exercised	Cancelled	Balance June 30, 2007
May 27, 2009	1.00	0	100,000	-	-	100,000
February 28, 2010	0.60	125,000	-	-	-	125,000
August 17, 2011	1.50	1,001,000	-	-	100,000	901,000
September 11, 2011	1.50	1,000,000	-	-	(75,000)	925,000
		2,126,000	-	-	(75,000)	2,051,000
Weighted average Exercise price		$ 1.45			$ 1.50	$ 1.45
Weighted average remaining life		$ 4.83				$ 4.33

Summary of Quarterly Results

Expressed in $ Canadian

Period ended	June 30 2007 Q3	Mar 31 2007 Q2	Dec 31 2006 Q1	Sept 30 2006 Q4	Jun 30 2006 Q3	Mar.31 2006 Q2	Dec. 31 2005 Q1	Sept. 30 2005 Q4	Jun 30 2005 Q3
Total Revenue	-	-	-	-	-	-	-	-	-
Income (loss) before other items	(72,064)	(110,066)	(107,414)	(447,071)	(118,224)	(2,473,804)	(530,490)	(130,399)	(27,811)
Basic loss per Share	(0.00)	(0.00)	(0.00)	(0.02)	(0.01)	(0.13)	(0.03)	(0.01)	(0.00)
Net Income (loss)	(72,064)	(110,066)	(107,414)	(447,071)	(118,224)	(2,473,804)	(530,490)	(130,399)	(27,811)
Basic loss per Share	(0.00)	(0.00)	(0.00)	(0.02)	(0.01)	(0.13)	(0.03)	(0.01)	(0.00)

Liquidity and Capital Resources

The Company had working capital of $ 2,209,460 at June 30, 2007. Historically, the Company has raised funds through equity financing and the exercise of options and warrants to fund its operations and it continues to rely upon these sources of capital to finance its operations.

The market price of natural resources is highly speculative and volatile. Instability in prices may affect the interest in resource properties and the development of and production from such properties. This may adversely affect the Company's revenues as well as its ability to raise capital to acquire and explore resource properties.

Internal Disclosure Controls and Procedures

We have evaluated the effectiveness of our disclosure controls and procedures and have concluded, based on our evaluation that they are sufficiently effective to provide reasonable assurance that material information relating to the Company and its consolidated subsidiaries is made known to management and disclosed in accordance with applicable securities regulations.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet transactions.

Critical Accounting Estimates

The preparation of financial statements in conformity with Canadian 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.

Financial Instruments

The Company's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities. Terms of the financial instruments are fully disclosed in the Company's financial statements. It is management's opinion that the Company is not exposed to significant interest, currency, or credit risks arising from its financial instruments and that their fair values approximate their carrying values unless otherwise noted.

Name Change

On May 22, 2007 the Company changed its name from Ona Exploration Inc. to Ona Energy Inc. and on May 25, 2007, the Company began trading on the CNQ under its new name Ona Energy Inc. The Company's stock symbol remained OEIX.

Change in Management

On March 14, 2007, Ona announced that Mr. Rick Overes joined the Company as Chief Financial Officer, replacing Curt Huber as CFO, who remains with the Company in his capacity of Director and Secretary.

Mr. Overes is a C.G.A. with 18 years of experience in the field of public accounting, tax and business consulting for privately held companies. He has done consulting work for a number of public companies. His varied background assisting companies in many different sectors, has given him a broad background from which to draw when assisting the clients in his public practice. His most recent public company experience was as Chief Financial Officer for an oil and gas company with projects in the United States and as a consultant to Ona since September 2006.

Subsequent Events

On July 31, 2007 the company announced a private placement for gross proceeds totaling $8,864,724.

The company issued 5,126,299999 units at a price of $ .75 per unit for proceeds of $ 3,844,724.. Each unit consists of one common share and one warrant. Each warrant is exercisable into one common share at a price of $ 1.50. for 2 years. The warrants are subject to an accelerated exercise provision. The company also sold $5,000,000 of 10% unsecured convertible debentures. The debentures mature in one year. The company also sold 2,000,000 bonus warrants@ $ .01 exercisable at $0 $.74.

The company issued 492,780 shares to seven finders as compensation. Additionally, the company paid $500,000 in cash to the debentures finder.

As noted above, the funds raised were used to complete the Yongxing Power Plant acquisition announced August 21, 2007. The total paid for the 60% interest was $ US 10.46 million.

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com.