

LINEAR METALS CORPORATION
Management Discussion and Analysis
Quarterly Report - July 31, 2007

This Management Discussion and Analysis of Linear Metals Corporation (the "Corporation") provides analysis of the Corporation's financial results for the period ended July 31, 2007. The following information should be read in conjunction with the accompanying unaudited financial statements and the notes to the unaudited financial statements.

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Corporation expects are forward-looking statements. Although the Corporation believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.

1.1 Date of Report

This report is prepared as of September 14, 2007.

1.2 Nature of Business and Overall Performance

Linear Metals is a junior exploration company listed on the TSX Venture Exchange. The Corporation is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The Corporation is currently focusing its exploration activities on its property holdings in Mexico and Canada. The Corporation owns or controls, under option, an interest in seven properties, including five properties in Mexico through its subsidiary Linear Metal Corp. Mexico, S.A. de C.V. and two properties in Canada.

On November 10, 2006 and February 22, 2007, the Corporation completed private placement financings that resulted in the issuance of 9,250,000 units for gross proceeds of \$12.7 million. The Corporation is using the proceeds of these financings to increase the Corporation's level of exploration activities during Fiscal 2007 and beyond.

During the quarter ended July 31, 2007, the Corporation incurred a loss of \$0.3 million, which was a significant increase over the \$0.1 million loss in the same quarter of the previous year, during which time the Corporation was substantively inactive until its spin-off from Linear Gold Corp ("Linear Gold") on June 26, 2006. The Corporation continues to have no revenue-producing operations and expects its cash operating losses to total \$0.9 million in Fiscal 2007 as the Corporation expands the depth of its corporate resources and significantly increases the level of exploration activities. The Corporation is dependent on future equity financings and/or project financing alternatives, to fund future operations and continue exploration programs.

1.3 Selected Annual Information

Expressed in thousands of Canadian dollars, except per share amounts:

Fiscal Year	2006	2005	2004
Revenues	\$ 4	\$ -	\$ -
Net loss	\$ 248	\$ -	\$ -
Basic & diluted net loss per share	\$ 0.02	\$ -	N/A
Total assets	\$ 2,148	\$ 946	\$ 876
Cash dividends per common share	N/A	N/A	N/A

This financial data has been prepared in accordance with Canadian generally accepted accounting principles, and all figures are stated in Canadian dollars.

The Corporation was incorporated on November 17, 2004 as a wholly-owned subsidiary of Linear Gold and was inactive prior to March 2006. The Corporation acquired mineral properties from Linear Gold during a corporate reorganization that occurred during the second quarter of Fiscal 2006, and the amounts reported for 2004 and 2005 represent “carve-out” accounting balances as required under Canadian generally accepted accounting principles.

Since the reorganization and distribution of the Corporation’s shares by Linear Gold, the Corporation has been operating as a stand-alone entity. The Corporation expects to record losses until such time as an economic resource is identified, developed and exploited on one or more of the Corporation’s properties and is anticipating an operating loss of approximately \$1.1 million during Fiscal 2007. The Corporation’s Net loss will be significantly affected by any write-down or abandonment of any resource properties in a given period.

1.4 Results of Operations

Three months ended July 31, 2007

During the period ended July 31, 2007, the Corporation incurred a net loss of \$273,759. Revenue of \$95,987 was recognized relating to interest earned on the Corporation’s cash balance during the period, which was 17% higher than the interest earned during the second quarter of the year due to a \$10.1 million financing completed on February 22, 2007 and resulting in a higher average cash balance during the current quarter. The Corporation’s operating expenses during the quarter totaled \$297,480, a nominal decrease of 4% over the previous quarter as the Corporation maintained its level of operating activities. Operating expenses during the three-months ended July 31, 2007 included \$53,010 in Office and administration costs, an increase of 667% from the previous quarter due to the new Toronto office becoming fully operational during the current quarter. Management salaries and services of \$112,474 represented a decrease of \$51,872, or 32%, from the previous quarter due to management bonuses and director insurance premiums paid during the second quarter, offset by an increase in staff salaries due to the hiring of the Corporation’s new CEO during the current quarter. Investor relations and marketing expenses of \$27,567 and Travel costs of \$19,737 showed a decrease of 47% from the previous quarter due to fewer investor shows and individual investor meetings occurring during the current quarter. Listing and regulatory costs increased 50% during the quarter to \$28,485. In addition, Professional services expenses decreased \$3,544, or 30%, from the previous quarter. The Corporation also recorded a non-cash Stock option compensation expense of \$43,357 attributable to the value of stock options earned during the three-months ended July 31, 2007 and a non-cash amortization expense of \$4,456 for the depreciation of the Corporation’s capital assets. The Corporation has also capitalized \$97,002 of stock option compensation expense during the quarter to Resource Properties, attributable to the value of stock options earned during the period by the Corporation’s exploration personnel and has also capitalized \$1,986 of depreciation expense to Resource Properties during the quarter.

The Corporation incurred a currency exchange loss of \$36,548 during the three-month period ended July 31, 2007 relating to its foreign currency transactions. The Corporation may continue to incur foreign exchange gains and losses arising from changes in the value of Mexican and U.S. currencies used in the conduct of its business, relative to the Canadian dollar.

The Corporation experienced a loss of \$35,718 relating to the write-down of resource properties during the current quarter arising from the Corporation’s decision to terminate its agreement on the La Lupita property in Mexico. The Corporation will continue to review its portfolio of resource properties and will write-down the carrying costs of any properties considered to be impaired in value.

Nine months ended July 31, 2007

During the nine-month period ended July 31, 2007, the Corporation incurred a net loss of \$671,895. Interest revenue of \$196,550 was earned on the Corporation's cash balances, with operating expenses during the period totaling \$749,683. Significant operating expenditures included \$321,549 in Management salaries and services, including staff recruitment expenses, director insurance premiums, director fees, management bonuses paid during the second quarter, and a total of \$80,000 paid to Linear Gold during the nine-month period pursuant to a Management Services Agreement. Investor relations and marketing expenses during the nine-month period totaled \$91,985; Travel costs were \$56,553; Office and administrative costs amounted to \$61,204, a significant increase due to the opening of the new Toronto office; and Professional fees incurred of \$28,682. The Corporation also incurred \$79,949 in Listing and regulatory costs, which were primarily related to the two private placements completed during the nine-month period. The Corporation also recorded a non-cash Stock option compensation expense for the nine-month period of \$105,075, and a non-cash Amortization expense of \$4,686 related to the depreciation of the Corporation's capital assets. The Corporation has also capitalized stock option compensation expense during the nine-month period of \$141,817 to Resource Properties, attributable to the value of stock options earned by the Corporation's exploration personnel and has capitalized depreciation expense of \$1,986 to Resource Properties for the nine-month period.

A currency exchange loss of \$83,044 was recognized for the nine-month period ended July 31, 2007, attributable to the changes in the value of Mexican and U.S. currencies used in the conduct of its business, relative to the Canadian dollar.

1.5 Summary of Quarterly Results

Expressed in thousands of Canadian dollars, except per share amounts:

	Fiscal 2007			Fiscal 2006			Fiscal 2005	
	Q3 Jul-07	Q2 Apr-07	Q1 Jan-07	Q4 Oct-06	Q3 Jul-06	Q2 Apr-06	Q1 Jan-06	Q4 Oct-05
Revenues	\$ 96	\$ 82	\$ 18	\$ 4	\$ -	\$ -	\$ -	\$ -
Net loss	\$ 274	\$ 252	\$ 146	\$ 102	\$ 53	\$ 94	\$ -	\$ -
Basic & diluted net loss per share	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.00	\$ 0.00	\$ 0.05	\$ -	\$ -
Total assets	\$ 13,917	\$ 14,259	\$ 4,488	\$ 2,148	\$ 2,557	\$ 1,449	\$ 1,137	\$ 946

This financial data has been prepared in accordance with Canadian generally accepted accounting principles, and all figures are stated in Canadian dollars.

Prior to Linear Gold's reorganization and distribution of the Corporation's shares on June 26, 2006, the Corporation was a wholly-owned subsidiary of Linear Gold, and prior to March 2006, the Corporation was inactive. As discussed in section 1.3, the Corporation received its mineral properties during the second quarter of Fiscal 2006. As such, the quarterly asset amounts reported for Fiscal 2005 and the first quarter of Fiscal 2006 represent "carve-out" amounts and represent estimates made by management of the "carve-out" assets at that time.

1.6 Liquidity and Capital Resources

As of July 31, 2007, the Corporation had working capital of \$8.5 million. During the nine-month period ended July 31, 2007, the Corporation used \$0.5 million of its working capital to fund operating expenses. Net cash Resource Property expenditures, including sales taxes recoverable on resource property expenditures, totaled \$3.0 million during the nine-month period, which were funded from the Corporation's working capital.

During the nine-month period ended July 31, 2007, financing activities resulted in net cash proceeds of \$12.0 million to the Corporation. The Corporation issued a total of 9,552,350 common shares, including 178,450 issued upon the exercise of warrants, and issued 5,204,450 common share purchase warrants and broker warrants during the nine-month period. Total financing costs during the nine-month period ended July 31, 2007 were approximately \$1.2 million.

On November 10, 2006 and February 22, 2007, the Corporation completed private placement financings that resulted in the issuance of 9,250,000 units for gross proceeds of \$12.7 million. In connection with these private placement financings, the

Corporation incurred total cash issuance costs of \$0.8 million and non-cash issuance costs of \$0.4 million, of which \$1.0 million was allocated to the cost of issuing the common shares, and \$0.2 million was allocated to the cost of issuing the warrants.

The Corporation is planning total resource property expenditures of approximately \$5.4 million during Fiscal 2007, which will be funded from working capital. This represents an increase of approximately \$1.4 million or 35% from the original \$4.0 million budget, primarily related to an increase in the scope of the Cobre Grande program. The Cobre Grande budget has been increased to provide for the follow-up of continuing positive drill results and a total of 9,000 metres of drilling is now planned during the current year. In the future, the Corporation expects to rely on additional equity financings and/or entering into joint venture arrangements in order to continue exploration on its properties. There can be no assurance that the Corporation will be able to obtain the required financing, and the failure to do so could result in the loss of its interest in its resource properties.

1.7 Off-Balance Sheet Arrangements

At July 31, 2007, the Corporation had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Corporation.

1.8 Disclosure and Internal Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to Management.

The Corporation has evaluated the design of its disclosure and internal controls and procedures over financial reporting, as defined under Multilateral Instrument 52-109, for the period ended July 31, 2007. This evaluation was performed by the Chief Executive Officer and the Chief Financial Officer with the assistance of other corporate personnel to the extent necessary or appropriate. Based on this evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the design of these disclosure and internal controls and procedures over financial reporting was effective. There have been no changes in internal control over financial reporting that have any material effect during the current quarter.

The Corporation has very limited administrative staffing and in many instances, the implementation of internal controls relying on segregation of duties is not possible. The Corporation relies on senior management review and approval to ensure that the controls are as effective as possible.

1.9 Critical Accounting Estimates

Critical accounting estimates used in the preparation of the consolidated financial statements include the Corporation's estimate of recoverable value of its mineral properties and related deferred expenditures. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Corporation's control.

The factors affecting stock-based compensation include estimates of when stock options might be exercised and the stock price volatility. The timing for exercise of options is out of the Corporation's control and will depend upon a variety of factors, including the market value of the Corporation's shares and the financial objectives of the stock-based instrument holders.

The Corporation's recoverability of the recorded value of its mineral properties and associated deferred expenses is based on market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. The Corporation is in an industry that is dependent on a number of factors, including environmental, legal and political risks, the existence of economically recoverable reserves, and the ability of the Corporation to obtain necessary financing to complete the development and future profitable production or the proceeds of disposition thereof.

1.10 Changes in Accounting Policies Including Initial Adoption

In January 2005, the CICA released new Handbook Section 3855, “Financial Instruments – Recognition and Measurement” and Section 1530, “Comprehensive Income”, effective for the interim periods and year ends for fiscal years commencing on or after October 1, 2006 on a prospective basis. The Corporation adopted these new standards on November 1, 2006 on a prospective basis.

Section 3855 establishes standards for the recognition and measurement of all financial instruments, provides a characteristics-based definition of a derivative financial instrument, provides criteria to be used to determine when a financial instrument should be recognized, and provides criteria to be used when a financial instrument is to be extinguished.

Section 1530 establishes standards for reporting comprehensive income. These standards require that an enterprise present comprehensive income and its components in a separate financial statement that is displayed with the same prominence as other financial statements.

1.11 Transactions with Related Parties

There were no transactions with related parties during the nine-month period ended July 31, 2007.

1.12 Financial Instruments and Other Risks

The Corporation’s financial instruments consist of cash, receivables and accounts payable. Management does not believe these financial instruments expose the Corporation to any significant interest, currency or credit risks arising from these financial instruments, with the exception of the sales taxes recoverable. Virtually all of the sales taxes recoverable are with governments in a foreign jurisdiction. The fair market values of these financial instruments approximate their carrying values, unless otherwise noted.

In conducting its business, the principal risks and uncertainties faced by the Corporation relate to exploration and development success as well as metal prices and market sentiment to a lesser extent.

Exploration for minerals and development of mining operations involve many risks, many of which are outside the Corporation’s control. In addition to the normal and usual risks of exploration and mining, the Corporation often works in remote locations that lack the benefit of infrastructure and easy access.

The prices of metals fluctuate widely and are affected by many factors outside of the Corporation’s control. The relative prices of metals and future expectations for such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies. The Corporation relies on equity financing for its long-term working capital requirements and to fund its exploration programs. The Corporation does not have sufficient funds to put any of its resource interests into production from its own financial resources. There is no assurance that such financing will be available to the Corporation, or that it will be available on acceptable terms.

1.13 Outstanding Share Data

a) Common Shares

The Corporation has authorized an unlimited number of common shares without par value.

At July 31 and September 14, 2007, the Corporation had issued and outstanding 33,859,852 common shares with a recorded value of \$12,113,220.

The Corporation completed a non-brokered private placement on November 10, 2006 of 3,500,000 units at a price of \$0.75 per unit, for gross proceeds of \$2,625,000. Each unit consisted of one common share and one-half warrant, and each whole warrant entitles the holder to purchase an additional common share at a price of \$1.00 per share until November 10, 2008. The Corporation allocated gross proceeds of \$2,202,988 to the common shares issued. Common share issuance costs associated with the financing totaled \$143,401 and included cash of \$55,535, 123,900 common shares valued at \$77,438 and

professional fees of \$10,428. Gross proceeds of \$422,013 were allocated to the value of the warrants. Warrant issue costs totaled \$26,224 and included \$9,040 cash, 61,950 warrants valued at \$15,487 and professional fees of \$1,697.

On February 22, 2007, the Corporation completed a private placement financing that resulted in the issuance of 5,750,000 units at a price of \$1.75 per unit for gross proceeds of \$10,062,500. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire a common share at a price of \$2.25 for a period of up to 24 months. The Corporation allocated a value of \$8,653,750 to the common shares issued and \$1,408,750 to the value of the warrants. Costs associated with the financing totaled \$1,034,914 and included a cash commission paid to the underwriters of \$603,750 and \$129,289 in additional legal and regulatory fees. In addition, the underwriters were granted broker warrants exercisable for 345,000 Units of the Corporation at an exercise price of \$1.75 per Unit, which have been valued at \$301,875. The Corporation allocated \$886,474 to the cost of issuing the common shares and \$148,440 to the cost of issuing the warrants. The Corporation will use proceeds of the financing to fund its exploration activities in Fiscal 2007 and 2008.

b) Warrants

At July 31 and September 14, 2007, the Corporation had 5,026,000 warrants outstanding with a value of \$1,928,848, with each warrant entitling the holder to purchase a common share at an average exercise price of \$1.81 per share.

c) Stock Options

At July 31 and September 14, 2007, the Corporation had 2,967,500 stock options outstanding exercisable into common shares of the Corporation at an average exercise price of \$1.03 per share.

1.14 Deferred Resource Property Expenditures

Details of the Company's Deferred Resource Property Expenditures during the three and nine-month periods ended July 31, 2007 are included in Schedule "A" and Schedule "B" respectively.

During Fiscal 2006, the Corporation received interests in the Cobre Grande and the La Morena properties, located in Mexico, and the Seymour Lake and KM61 properties, located in Canada, through a series of reorganization transactions with Linear Gold. The series of transactions resulted in the Corporation issuing 21,452,780 units, comprised of 17,162,223 common shares and 2,145,278 warrants of the Corporation, and cash of \$14,099 to complete the Reorganization.

The transfer of the Resource Properties to the Corporation did not result in a substantive change in ownership and therefore, in accordance with Canadian generally accepted accounting principles, the assets were recorded at Linear Gold's carrying value of \$1,100,017, with a carrying value of \$494,721 applied to the Corporation's La Morena property and \$565,183 applied to Seymour Lake / KM61 ("Carve-out Carrying Value). The Corporation also recorded \$40,113 related to the Tierra Blanca property in Mexico, which was fully written off during Fiscal 2006 following the Corporation's termination of the option related to this property. The Corporation is earning an 80% interest in the Cobre Grande purchase option agreement from Linear Gold and Linear Gold has retained a 20% interest in the purchase option agreement which the Corporation can acquire for US\$1.2 million prior to December 31, 2008. Accordingly, the Corporations expenditures on the Cobre Grande project reflect the actual expenditures by the Corporation and there are no related Carve-out Carrying Values for the property.

During the nine-month period ended July 31, 2007, the Corporation incurred net Deferred exploration expenditures of \$2.7 million, 91% of which were incurred in Mexico, with 66% related to the Cobre Grande Project. The Corporation incurred \$0.2 million, or 9% of its net exploration expenditures, on the KM61 Project in Ontario, Canada. Net geology and drilling expenditures on all properties totaled approximately \$2.0 million, representing over 71% of the total resource property expenditures incurred during the period.

During the three-month period ended July 31, 2007, the Corporation incurred net Deferred exploration expenditures of \$1.2 million, 81% of which were incurred in Mexico and over 67% of which related to the Cobre Grande Project. \$0.2 million in net exploration expenditures was incurred on the KM61 Project during the quarter, representing 18% of the net exploration expenditures incurred during the three-month period. Net geology and drilling expenditures totaled \$0.9 million, representing 73% of the total resource property expenditures during the quarter, as drilling was initiated on the Corporation's KM61 Project.

The Corporation plans to continue its level of exploration activities over the final quarter of the year with a continued focus on its most advanced properties, Cobre Grande and KM61. The Corporation is planning total project expenditures of \$5.4 million during Fiscal 2007.

Cobre Grande

During the third quarter, the Corporation's exploration activities continued to focus on the Cobre Grande Project in Oaxaca, Mexico. The Corporation completed three holes and 650 metres of drilling during the quarter, bringing the total for the nine month period ended July 31, 2007 to 4,000 metres in 13 holes.

To continue evaluating the full 6,200 hectare property position, a 1,078 line kilometre airborne EM and magnetic survey was completed during the current quarter. Target definition on anomalies identified will begin during the fourth quarter of the current fiscal year with geochemical and ground geophysical surveys planned. An updated 43-101 report on the Cobre Grande Project is scheduled to be released in September 2007, and the Corporation plans to produce a 43-101 compliant resource calculation during the first quarter of Fiscal 2008.

The Corporation will have fulfilled its work commitments by the end of the year and will be required to make payments of US \$90,000 in each of March 2008 and 2009 in order to earn its 80% interest in the Cobre Grande purchase option. The Purchase Option entitles the holder(s) to acquire the property from the Community of San Baltazar Guelavila (the "Community"), the underlying owner of the concessions. The final purchase payment will be determined by the Community, which can choose among a US \$12.0 million buyout, a 2% Net Smelter Return ("NSR") Royalty, or a 15% carried joint venture interest in any future mining projects from the concession. The Corporation also holds an option to acquire the remaining 20% interest in the Purchase Option from Linear Gold at any time prior to December 31, 2008, for US \$1.2 million.

KM61

The Corporation initiated work on the KM61 molybdenum project, located near Armstrong, Ontario, during the current quarter. Work began with a 700 metre trenching program and the sampling of 1,294 metres of core from sections of old holes left unsampled by Falconbridge and Noranda. The trenching and core sampling program successfully expanded the area with superior grade molybdenum-copper-silver mineralization in preparation for the current 4,000 metre drill program. Drilling began on the property during the current quarter, with three holes and 600 metres completed to July 31, 2007. The Corporation plans to advance the property towards a 43-101 compliant resource calculation during Fiscal 2008.

During the first quarter of Fiscal 2007, the Corporation received notice from Falconbridge that it would not maintain its interest in the KM61 property and accordingly, the Corporation regained a 100% interest in the property, subject to a 0.5% NSR over the majority of the property, with the balance subject to a 3% NSR. The Corporation can repurchase 50% of the 0.5% NSR for \$250,000 and/or 50% of the 3% NSR for \$1,000,000.

Other

During the first quarter of the year, the Corporation acquired two new projects in Mexico by entering into individual option agreements with the community of Santa Maria de Ecatepec, in the state of Oaxaca, and with the individual concession holder of the La Lupita base metal-silver project in Sonora. During the second and third quarters of the year, work has progressed at Ecatepec, with mapping, soil sampling and a 22 line kilometre I.P. survey completed. A 2,000 metre reverse circulation drill program is being considered for the fourth quarter of the fiscal year or early in Fiscal 2008. At La Lupita, initial geologic work resulted in a downgrade to the project, and a decision was made to terminate the agreement during the current quarter.

1.15 Management Changes

On May 14, 2007, Mr. Grant Ewing assumed the position of President and Chief Operating Officer of the Corporation. Mr. Ewing's previous position as Executive Vice-President of Corporate Development with Tahera Diamond Corp. will provide

a great deal of mineral exploration and development experience and management expertise to the Corporation. Mr. Ewing is based in the Corporation's newly opened office in Toronto.

In January 2007, the Corporation announced the appointments of Dr. Robert Page as Vice-President – Exploration and Mr. Philip Pyle as Vice-President – Business and Corporate Development. Dr. Page joined Linear Metals with 30 years of International exploration experience, most recently as Chief Geologist – Copper for Noranda Inc./Falconbridge Limited. Philip Pyle will be responsible for identifying and acquiring new project opportunities and for the development and advancement of strategic relationships. Since October 2003, Mr. Pyle has served as a Vice-President of Linear Gold.

1.16 Other Information

Additional information regarding the Corporation is available on SEDAR at www.sedar.com.

LINEAR METALS CORPORATION

Schedule of Resource Properties

for the nine-month period ended July 31, 2007

Schedule "A"

Details of Resource Properties

	Cobre Grande Mexico	La Morena Mexico	Mexico Other	Seymour Lake / KM61	Other	Total 31-Jul-07
Mineral Properties						
Balance, beginning of period	\$ -	\$ 201,757	\$ -	\$ 565,183	\$ -	\$ 766,940
Expenditures during period	107,117	1,525	78,587	22,298	-	209,527
Balance, end of period	107,117	203,282	78,587	587,481	-	976,467
Deferred Exploration expenditures:						
Drilling	1,228,255	59,062	2,571	103,590	-	1,393,478
Geology	298,457	7,298	272,229	141,349	22,956	742,289
Geophysics	155,732	-	40,102	12,836	-	208,670
Property evaluation	185,454	1,981	43,298	-	-	230,733
Road Construction	64,798	-	-	705	-	65,503
Supervision	80,357	3,766	30,950	2,338	13,074	130,485
Surveying	20,953	-	-	403	460	21,816
Trenching	-	-	-	28,145	-	28,145
	2,034,006	72,107	389,150	289,366	36,490	2,821,119
Balance, beginning of period	85,171	799,681	190,562	-	-	1,075,414
	2,119,177	871,788	579,712	289,366	36,490	3,896,533
Costs written off	-	-	(35,718)	-	-	(35,718)
Balance, end of period	2,119,177	871,788	543,994	289,366	36,490	3,860,815
Mineral properties and deferred exploration expenditures	\$ 2,226,294	\$ 1,075,070	\$ 622,581	\$ 876,847	\$ 36,490	\$ 4,837,282

LINEAR METALS CORPORATION

Schedule of Resource Properties

for the three-month period ended July 31, 2007

Schedule "B"

Details of Resource Properties

	Cobre Grande Mexico	La Morena Mexico	Mexico Other	Seymour Lake / KM61	Other	Total 31-Jul-07
Mineral Properties						
Balance, beginning of period	\$ 107,117	\$ 202,536	\$ 47,161	\$ 565,183	\$ -	\$ 921,997
Expenditures during period	-	746	31,426	22,298	-	54,470
Balance, end of period	<u>\$ 107,117</u>	<u>\$ 203,282</u>	<u>\$ 78,587</u>	<u>\$ 587,481</u>	<u>\$ -</u>	<u>\$ 976,467</u>
Deferred Exploration expenditures:						
Drilling	227,464	-	-	103,590	-	331,054
Geology	146,224	772	98,850	124,652	22,956	393,454
Geophysics	105,874	-	40,102	12,836	-	158,812
Property evaluation	61,910	-	12,415	-	-	74,325
Road Construction	53,635	-	-	705	-	54,340
Supervision	42,858	3,766	15,325	2,338	3,699	67,986
Surveying	-	-	-	403	460	863
Trenching	-	-	-	25,055	-	25,055
	637,965	4,538	166,692	269,579	27,115	1,105,889
Balance, beginning of period	<u>1,481,212</u>	<u>867,250</u>	<u>413,020</u>	<u>19,787</u>	<u>9,375</u>	<u>2,790,644</u>
	<u>2,119,177</u>	<u>871,788</u>	<u>579,712</u>	<u>289,366</u>	<u>36,490</u>	<u>3,896,533</u>
Costs written off	-	-	(35,718)	-	-	(35,718)
Balance, end of period	<u>2,119,177</u>	<u>871,788</u>	<u>543,994</u>	<u>289,366</u>	<u>36,490</u>	<u>3,860,815</u>
Mineral properties and deferred exploration expenditures	<u>\$ 2,226,294</u>	<u>\$ 1,075,070</u>	<u>\$ 622,581</u>	<u>\$ 876,847</u>	<u>\$ 36,490</u>	<u>\$ 4,837,282</u>