Spur Ventures Inc.

Interim Consolidated Financial Statements
June 30, 2009
Unaudited
(expressed in U.S. dollars)

NOTICE

The accompanying unaudited interim consolidated financial statements of Spur Ventures Inc. ("the Company") have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Spur Ventures Inc.

Interim Consolidated Balance Sheets (Unaudited)

(Expressed in U.S. dollars)

	June 30, 2009	December 31, 2008
ASSETS		
Current		
Cash and cash equivalents (Note 4)	$ 16,421,837	$ 20,503,438
Short-term investments (Note 5)	4,305,098	370,611
Prepaid expenses	32,685	62,729
Accounts receivable	38,308	11,442
Loans receivable (Note 6)	301,076	-
Due from joint venture partner (Note 7)	134,209	310,259
	21,233,213	21,258,479
Property, plant & equipment (Note 8)	6,708,889	6,706,848
Land use rights (Note 9)	308,446	300,041
	$ 28,250,548	$ 28,265,368
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 1,624,954	$ 1,791,735
Customer deposits	41,632	39,522
	1,666,586	1,831,257
Commitments (Note 14)		
SHAREHOLDERS' EQUITY		
Share capital		
Authorized - (Note 11(a))		
Unlimited number of Common and Preferred shares without par value		
Issued - (Note 11(b))		
60,407,187 Common shares (2008: 60,407,187)	41,386,379	41,386,379
Contributed surplus (Note 11(c))	7,287,962	7,160,574
Accumulated other comprehensive income	2,083,687	758,365
Deficit	(24,174,066)	(22,871,207)
	26,583,962	26,434,111
	$ 28,250,548	$ 28,265,368

APPROVED BY THE DIRECTORS

Robert G. Atkinson	*Robert J. Rennie*
Director	Director

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

Spur Ventures Inc.

Interim Consolidated Statements of Operations and Deficit (Unaudited)

(Expressed in U.S. dollars)

	Three months ended		Six months ended	
	June 30, 2009	**June 30, 2008**	**June 30, 2009**	**June 30, 2008**
Sales	$ -	$ 176,182	$ 15,145	$ 280,632
Expenses				
Cost of product sold	-	68,707	-	157,056
Consulting fees	62,102	78,327	108,402	213,767
Depreciation and amortization	120,146	116,818	240,551	240,613
Mineral property costs	83,282	444,992	162,018	547,396
Office and miscellaneous	13,662	74,105	35,831	171,323
Printing and mailing	3,868	33,903	5,626	33,903
Professional fees	34,115	126,679	69,533	194,288
Rent	40,231	56,979	88,371	113,589
Repairs and maintenance	1,855	2,209	1,999	5,005
Selling expenses	507	4,201	1,022	19,812
Stock-based compensation expenses (Note 11(c))	60,204	16,043	127,388	59,577
Transfer agent and filing fees	8,883	7,753	24,310	24,747
Travel, advertising and promotion	36,014	78,529	71,482	148,839
Wages and benefits	183,046	248,935	490,167	493,027
	647,915	1,289,473	1,426,699	2,422,942
Operating loss	(647,915)	(1,181,998)	(1,411,554)	(2,142,310)
Other income and expenses				
Interest income	46,178	140,753	94,845	320,475
Foreign exchange gain	34,917	105,029	13,850	185,121
	81,095	245,782	108,695	505,596
Loss before non-controlling interest	(566,820)	(936,216)	(1,302,859)	(1,636,714)
Non-controlling interest (Note 10)	-	(63,245)	-	154,961
Loss for the period	(566,820)	(999,461)	(1,302,859)	(1,481,753)
Deficit, Beginning of the period	(23,607,246)	(23,887,475)	(22,871,207)	(23,405,183)
Deficit, End of the period	$ (24,174,066)	$ (24,886,936)	$ (24,174,066)	$ (24,886,936)
Weighted average number of shares outstanding, basic and diluted	60,407,187	60,111,949	60,402,803	59,426,234
Loss per share, basic and diluted	($0.009)	($0.017)	($0.022)	($0.025)

notes are an integral part of these

Spur Ventures Inc.

Interim Consolidated Statements of Comprehensive Income (Loss) (Unaudited)

(Expressed in U.S. dollars)

	Three months ended		Six months ended	
	June 30, 2009	**June 30, 2008**	**June 30, 2009**	**June 30, 2008**
Loss for the period	$ (566,820)	$ (999,461)	$ (1,302,859)	$ (1,481,753)
Other comprehensive income (loss), net of tax:				
Unrealized gain (loss) on translating financial statements from functional currency to reporting currency	2,171,034	(25,726)	1,325,322	(257,095)
Comprehensive income (loss) for the period	$ 1,604,214	$ (1,025,187)	$ 22,463	$ (1,738,848)

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

Spur Ventures Inc.

Interim Consolidated Statements of Cash Flows (Unaudited)
(Expressed in U.S. dollars)

	Three months ended		Six months ended	
	June 30, 2009	**June 30, 2008**	**June 30, 2009**	**June 30, 2008**
Cash flows from operating activities				
Loss for the period	$ (566,820)	$ (999,461)	$ (1,302,859)	$ (1,481,753)
Items not affecting cash				
Depreciation and amortization	120,146	116,818	240,551	240,613
Stock-based compensation	60,204	16,043	127,388	59,577
Foreign exchange (gain)/loss	(34,917)	(106,361)	(13,850)	(186,453)
Inventory adjustment	-	(88,136)	-	(88,136)
Non-cash mineral property costs	-	167,475	-	167,475
Net changes in non-cash working capital				
Accounts receivable	(24,080)	121,473	(26,168)	168,050
Inventory	-	96,108	-	226,181
Prepaid expenses	12,268	12,774	34,782	50,984
Due from joint venture partner	175,696	-	175,696	-
Accounts payable and accrued liabilities	374	2,157	(8,942)	(158,875)
Customers deposits	-	(30,839)	-	6,716
Non-controlling interest	-	63,245	-	(154,961)
Net cash used in operating activities	(257,130)	(628,703)	(773,403)	(1,150,581)
Cash flows from investing activities				
Capital expenditures paid	-	(429,347)	(175,536)	(473,140)
Proceeds from disposal of investments	326,797	6,479,721	370,681	6,660,880
Loans receivable	(301,076)	-	(301,076)	-
Purchase of short-term investments	(4,561,628)	(12,634,243)	(4,561,628)	(17,743,900)
Net cash used in investing activities	(4,535,907)	(6,583,869)	(4,667,559)	(11,556,160)
Cash flows from financing activities				
Issuance of shares for cash - net of issue costs	-	925,176	-	925,176
Net cash provided by financing activities	-	925,176	-	925,176
Effect of exchange rate changes	711,436	(131,176)	1,359,361	(72,048)
Increase (decrease) in cash and cash equivalents	(4,081,601)	(6,418,572)	(4,081,601)	(11,853,613)
Cash and cash equivalents, beginning of the period	20,503,438	15,689,265	20,503,438	21,124,306
Cash and cash equivalents, end of the period	$ 16,421,837	$ 9,270,693	$ 16,421,837	$ 9,270,693
Supplemental cash flow disclosure				
Interest received	$ 36,466	$ 121,298	$ 89,989	$ 358,425
Interest paid	$ -	$ -	$ -	$ -
Changes in accrued liabilities related to the MAP project construction in progress	$ -	$ -	$ (175,536)	$ -

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

(Expressed in U.S. dollars)

1 Nature of operations

Spur Ventures Inc. (the "Company") through its 100% owned subsidiary, Spur Chemicals (BVI) Inc. ("Spur BVI") has majority control of two sino-foreign joint ventures (JV) in China, Yichang Maple Leaf Chemicals ("YMC") and Yichang Spur Chemicals ("YSC"). In both JVs, the Chinese partner is Hubei Yichang Phosphorus Chemical Co. Ltd ("YPCC"), a state owned enterprise of Yichang City, Hubei Province, China.

Yichang Maple Leaf Chemicals (YMC)

In November of 2003, YMC received its business license with Spur BVI controlling 90% and YPCC 10% of the JV. All government approvals had been received for YMC to develop two phosphate deposits and to construct and operate a world-scale compound fertilizer plant. YPCC is contractually obligated to contribute the two deposits to the JV while Spur contributes the project financing.

In February and October of 2004 the Central Ministry of Land and Resources (MOLAR) issued the mining licenses for the Dianziping and Shukongping deposits to YPCC, setting the stage for the transfer of these licenses to YMC once Spur had contributed its first 15% of Registered Capital which it did in March of 2005.

The deposits are considered state owned assets and thus the transfer to a foreign controlled JV is both complex and time consuming. YMC has been working with various government departments at the District, County and Yichang City level to meet the regulatory requirements for the formal transfer, but to date has not been successful in securing the transfer of the licenses.

The Company is unwilling to invest further in YMC until such time as it has the security of the mining licenses being formally transferred to YMC. The Company is in discussions to allow interested business partner(s) to invest further in YMC and the MAP project described below.

The mining license for the Shukongping deposit will expire at the end of October, 2009 if it has not been transferred to YMC. It can however be renewed. If the mining license is not transferred or renewed, it will revert to the Central Ministry of Land and Resources or to MOLAR at the Hubei Province level where it must be auctioned to the highest bidder in an open competition.

The YMC Joint Venture agreement requires that both YPCC and Spur BVI contribute an additional $11.28 million (RMB76.96 million) and $127.21 million (RMB867.85 million) respectively to complete their entire Registered Capital contributions before November 24, 2009 when the YMC Business License will be reviewed. If these contributions are not made, there is a risk that YMC's business license will not be renewed and that YMC may have to be liquidated.

Yichang Spur Chemicals (YSC)

During 2004, the Company acquired Xinyuan Chemicals Ltd. from YPCC and formed a JV, YSC, which owns an NPK compound fertilizer facility located in the Hubei Province, China. Spur BVI owns a 72.18% interest in YSC and the two minority partners are YPCC, which owns 16.69%, and YMC which in June, 2008 acquired the 11.13% interest originally held by Yichang Yuanfeng Chemical.

During the third quarter of 2007, management concluded that prices of raw materials, especially potash and sulphuric acid, were too high for the YSC fertilizer facility to be viable. Management decided to idle the facility and convert it into a mono-ammonium phosphate plant (MAP).

During 2008, the Company commenced the construction activity to convert the fertilizer facility into a MAP plant. Due to the global financial crisis, the rapid decline in commodity prices in the fourth quarter of 2008, the Chinese government extension of export tariffs and the uncertainty in the near term fertilizer markets both in

(Expressed in U.S. dollars)

China and globally, the Company decided to temporarily suspend its MAP plant construction. Management will continue to work with YPCC to complete the transfer of the mining licenses to YMC in order to secure a long-term source of phosphate rock for both the MAP plant and the Integrated Phosphate Project.

Management have not recorded a current impairment charge against the existing fertilizer plant and equipment (Note 8) and land use rights (Note 9), as management remains confident that the Company will obtain the required financing to complete the MAP plant construction and that the plant will generate profitable operations in the future. There remain additional risks and uncertainties with respect to the approval of the transfer of the mining licenses, that economic ore reserves will be identified and that the significant equity or debt financing for the project will be available to the Company. The phosphate rock project would still face additional risks and uncertainties, including, but not limited to, raw material and construction cost risks, product marketing risks, and political risks.

The recoverability of the Company's investment in property rights, plant and equipment in China is dependent upon these plans or the ability of the Company to dispose of the assets and recover its investment. These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary should these material risks and measurement uncertainties prove to be insurmountable, and these adjustments could be material.

2 Recently Enacted but not yet Effective Accounting Pronouncements

The Company has adopted CICA Handbook Section 3064, *Goodwill and Intangible Assets*, which establishes standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets by profit-oriented enterprises. Adoption of this standard has no impact on the Company's consolidated financial statements.

The Company has also adopted EIC 173, *Credit risk and the fair value of financial assets and financial liabilities*. This abstract considers whether an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities, including derivative instruments, for presentation and disclosure purposes. The Company's adoption of the modification of this abstract had no effect on the Company's consolidated financial statements.

There are three CICA accounting standards issued in January 2009 but not yet adopted by the Company, as follows: the CICA Handbook Sections 1582, *Business Combinations*, Section 1601, *Consolidated Financial Statements*, and Section 1602, *Non-controlling Interests*, which replace CICA Handbook Sections 1581, *Business Combinations*, and Section 1600, *Consolidated Financial Statements*. Section 1582 establishes accounting standards equivalent to International Financial Reporting Standards IFRS 3, *"Business Combinations"*, and is applicable for business combinations with acquisition dates on or after January 1, 2011. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for interim and annual consolidated financial statements for fiscal year beginning January 1, 2011. Early adoption of Section 1582, 1601 and 1602 is permitted. The Company is evaluating the impact of the adoption of these new standards on its consolidated financial statements.

(Expressed in U.S. dollars)

3 Significant Accounting Policies

The accompanying interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). These interim consolidated financial statements do not include all disclosures required under Canadian GAAP for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited consolidated financial statements for the year ended December 31, 2008.

The Company has used the same accounting policies as disclosed in the 2008 audited financial statements.

The preparation of the interim consolidated financial statements in compliance with GAAP requires management to make estimates and assumptions. These estimates affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the periods. The effect of changes in estimates on the financial statements of future periods could be significant for property, plant and equipment as well as land use rights, as a result of challenges facing the Company at its Chinese subsidiaries. While management believes these estimates and assumptions to be reasonable actual results could differ.

In the opinion of management, all adjustments considered necessary for fair presentation of the results for the periods presented have been reflected in the interim consolidated financial statements.

4 Cash and cash equivalents

Cash and cash equivalents consist of deposits with major Canadian financial institutions and Chinese banks. Details of the deposits are as follows:

	June 30, 2009	**December 31, 2008**
Canadian Dollar deposits in Canada	$16,366,322	$20,302,987
Canadian Dollar deposits in China	$237	$52,402
RMB deposits in China	$48,863	$140,531
U.S. Dollar deposits in Canada	$6,415	$7,518
Total	**$16,421,837**	**$20,503,438**
Interest rates per annum	up to 0.50%	up to 3.33%
Maturity Date	n/a	January 2009

5 Short-term investments

Short-term investments include Canadian Dollar term deposits and/or guarantee investment certificates in Canada and Chinese Renminbi (RMB) term deposits in the accounts of the Company's representative office in China, with maturities at inception over 90 days but under one year. Details are as follows:

(Expressed in U.S. dollars)

	June 30, 2009	December 31, 2008
Canadian Dollar investment in Canada	$4,305,098	$326,637
RMB investment in China	-	$43,974
Total	**$4,305,098**	**$370,611**
Interest rates per annum	1.00%	3.05% ~ 3.78%
Maturity Date	May 2010	Between February and April 2009

6 Loans receivable

On April 6, 2009, the Company entered into an agreement to lend $301,076 (Canadian Dollars CAD 350,000) to Canaco Resources Inc. ("Canaco") at a rate of 2% per month (effectively 24% per annum) to August 6, 2009, the due date of the loan. As security for the loan, Canaco pledged to the Company 4,500,000 common shares in Candente Gold Corp. (Candente Gold), a company that has several precious metals properties in Mexico and Peru. The loan agreement also provides that Canaco transfer to the Company 500,000 shares of Candente Gold as additional considerations. All loan interest payments have been made on time and in full. Due date of the principal repayment has been extended for three months to November 6, 2009 at the request of Canaco in consideration for an additional 250,000 shares of Candente Gold.

7 Due from joint venture partner

The December 31, 2008 balance due from YPCC to YSC consists of $92,271 (RMB629,492) receivables, a loan of $199,176 (RMB1,358,819), and $18, 812 (RMB128,356) accrued interest. The loan bears interest at a rate of 4.875% per annum. YPCC has made four $58,563 (RMB400,000) repayments to YSC in April, May, June and July 2009, plus another repayment of $47,520 (RMB324,564) in August 2009. A summary of balance at June 30, 2009 and December 31, 2008 year end is as follows:

	June 30, 2009		December 31, 2008	
	RMB	**$**	**RMB**	**$**
Due from YPCC	916,667	134,209	2,116,667	310,259

(Expressed in U.S. dollars)

8 Property, plant and equipment

	June 30, 2009			December 31, 2008		
	Adjusted Cost	Accumulated Amortization	Net Book Value	Adjusted Cost	Accumulated Amortization	Net Book Value
Building	$ 1,566,825	$ 269,134	$ 1,297,691	$ 1,487,370	$ 195,878	$ 1,291,492
Construction in progress	2,363,466	-	2,363,466	2,288,463	-	2,288,463
Construction in progress deposits (non-refundable)	1,525,170	-	1,525,170	1,498,255	-	1,498,255
Machinery and equipment	2,096,960	701,458	1,395,502	1,990,623	509,517	1,481,106
Motor vehicles	139,033	82,951	56,082	131,982	66,831	65,151
Office equipment and furniture	155,195	92,330	62,865	147,326	75,727	71,598
Leasehold improvement	32,452	24,339	8,113	30,806	20,024	10,782
Total	**$ 7,879,101**	**$ 1,170,212**	**$ 6,708,889**	**$ 7,574,825**	**$ 867,977**	**$ 6,706,848**

The adjusted cost reflects an impairment loss of $3,968,981 recognized in 2006 as the carrying amount of the property, plant and equipment exceeded its fair value estimated by the sum of the discounted cash flows expected to result from their use and eventual disposition.

During the third quarter of 2007, management concluded that prices of raw materials, especially potash and sulphuric acid, were too high for the YSC fertilizer facility to be viable and decided to idle the facility and convert it into a mono-ammonium phosphate ("MAP") plant. During 2008, the Company commenced the MAP plant conversion but subsequently decided to temporarily suspend construction due to the global financial crisis, the rapid decline in commodity prices in the fourth quarter of 2008, the Chinese government extension of export tariffs and the uncertainty in the near term fertilizer markets both in China and globally.

9 Land use rights

	June 30, 2009			December 31, 2008		
	Adjusted Cost	**Accumulated Amortization**	**Net Book Value**	**Adjusted Cost**	**Accumulated Amortization**	**Net Book Value**
Land Use Rights	$ 341,429	$ 32,983	$ 308,446	$ 324,116	$ 24,075	$ 300,041

Land use rights refer to the ability of the Company to operate a fertilizer and phosphoric acid facility for a period of 50 years. These land use rights are provided by the municipal government and are being amortized over the initial 30-year term of the related business license as this is currently believed to approximate the estimated useful life. An impairment loss of land use rights, similar to the impairment of property, plant and equipment, was recognized during 2006.

(Expressed in U.S. dollars)

10 Non-controlling interest

In 1996, the Company entered into an agreement with YPCC for the exclusive right to develop the Yichang phosphate deposit, which is located in the Hubei Province in China. In 2003, the Company and YPCC formed a Joint Venture company, YMC, to undertake the development of the project, with the Company entitled to 90% ownership and YPCC entitled to 10%. Each of YPCC and Spur were required to make an initial contribution of a minimum of 15% of their respective registered capital requirements, based on relative ownership ratios. In March 2005, the official transfer process from YPCC to YMC began when Spur made its initial capital contribution to the registered capital of YMC. In 2007, YPCC made its initial contribution to the registered capital of YMC. Under the terms of the agreement to form YMC, the balance of YPCC's required capital contribution will be the completion of the transfer of the mining licenses. Upon YPCC making its initial capital contribution a non-controlling interest was created, the value of which was determined to be $441,420 as at December 31, 2007, and $nil as at December 31, 2008 and June 30, 2009 as the non-controlling shareholder's share of cumulative losses in the Chinese operations exceeded invested amount.

11 Shareholders' equity

a) Authorized capital stock

Unlimited common shares without par value
Unlimited number of preferred shares without par value, issuable in series and with special rights and restrictions to be determined on issuance

b) Issued and outstanding capital stock

	Number of common shares	**$**
Balance as at December 31, 2008	60,407,187	41,386,379
Change	-	-
Balance as at June 30, 2009	60,407,187	41,386,379

c) Contributed Surplus

	Related to Stock Options $	**Related to Warrants $**	**Total $**
Balance as at December 31, 2008	2,603,774	4,556,800	7,160,574
Stock-based compensation expenses	127,388	-	127,388
Balance as at June 30, 2009	2,731,162	4,556,800	7,287,962

d) Stock options

There were no options granted, exercised, forfeited or expired during the six months ended June 30, 2009. Options granted subsequent to December 31, 2006 vest over a three-year period, with one-third of the options vesting one year after the date of grant, one-third two years after the date of grant, and the remaining one-third three years after the date of grant.

(Expressed in U.S. dollars)

During the three-month period ended June 30, 2009, compensation expense of $60,204 was recognized (2008: $16,043) for options outstanding.

During the six-month period ended June 30, 2009, compensation expense of $127,388 was recognized (2008: $59,577) for options outstanding.

The following table summarizes information about the options outstanding at June 30, 2009:

Number of Options	Exercise Price CAD	Expiry Date
1,250,000	1.50	July 23, 2009
500,000	1.80	March 1, 2010
200,000	1.50	September 16, 2010
625,000	1.03	July 4, 2011
200,000	0.64	January 3, 2012
20,000	0.55	April 4, 2012
20,000	0.50	December 3, 2012
905,000	0.90	June 26, 2013
3,720,000		

On July 28, 2009, the Company granted an option to a consultant to purchase 300,000 shares of the Company at CAD 0.28 per share before July 29, 2014.

e) Warrants

There were no warrants issued or exercised during the six-month period ended June 30, 2009.

12 Related party transactions

During the three months ended June 30, 2009, the Company paid consulting fees of $35,880 to two companies controlled by one officer and one director (2008: $41,455 to two companies controlled by one director and one officer).

During the six months ended June 30, 2009, the Company paid consulting fees of $69,490 to two companies controlled by one officer and one director (2008: $126,566 to three companies controlled by one director and two officers).

Accounts payable to these companies for expenses incurred were $nil at the end of June 30, 2009 and 2008. Except for the RMB916,667 ($134,209) due from YPCC (note 7), there were no other accounts receivables from related parties.

(Expressed in U.S. dollars)

The above transactions, occurring in the normal course of operations, are measured at the exchange amount, which is the fair value consideration established and agreed to by the related parties.

13 Segmented information

Management considers developing an integrated fertilizer business, which includes the development of the phosphate project in China, to be the Company's principal activity. All sales came from customers in China.

	June 30, 2009			December 31, 2008		
Geographic Segments	Canada	China	Consolidated	Canada	China	Consolidated
Current assets	$21,062,447	$170,766	$21,233,213	$20,832,985	$ 425,494	$21,258,479
Property, plant & equipment	10,476	6,698,413	6,708,889	14,232	6,692,616	6,706,848
Land used rights	-	308,446	308,446	-	300,041	300,041
Total assets	$21,072,923	$7,177,625	$28,250,548	$20,847,217	$7,418,151	$28,265,368

14 Commitments

As at June 30, 2009, the Company had $9.61 million (RMB65.63 million) in signed contracts for the MAP project, $3.20 million (RMB21.83 million) has been paid, $1.00 million (RMB6.84 million) has been accrued, and $5.41 million (RMB36.96 million) remains as commitments. A summary of the Company's commitments in the next five years is as follows:

	MAP project contracts	Total
2009	$5,409,358	$5,409,358
2010	-	-
2011	-	-
2012	-	-
2013	-	-