

BOLERO RESOURCES CORP.

**(formerly United Bolero Development Corp.)
Management Discussion and Analysis
For The Period Ended September 30, 2007**

November 24, 2007

The following discussion and analysis should be read in conjunction with the unaudited financial statements for the nine months ended September 30, 2007, and the year end audited financial statements for the years ended December 31, 2006 and 2005 and related notes included therein. All monetary amounts, unless otherwise indicated, are expressed in Canadian dollars. Additional regulatory filings for the Company can be found on the SEDAR website at www.sedar.com. The Company's website can be found at www.unitedbolero.com

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", "forecast", "estimate", "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. Such statements reflect the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments.

Overview

Bolero Resources Corp. ("Bolero" or the "Company") is a junior natural resource company focused on the acquisition and exploration of natural resource properties in precious metals and base metals. Bolero was incorporated under the British Columbia Company Act on August 13, 1985 and as an extra provincial corporation on February 13, 2004 in the province of Ontario.

The Company is a reporting issuer in British Columbia, Alberta and Ontario and is listed on the TSX Venture Exchange under the symbol "BRU." The Company listed on the Frankfurt Exchange under the symbol "U7N".

Our long-term goals for Bolero include:

- acquiring and developing cash producing assets;
- building and strengthening our core operations in natural resource exploration and development; and
- increasing return on investment for our shareholders.

Overall Performance

The Company incurred a loss from operations for the three months ended September 30, 2007 of \$288,212 (2006- \$201,791) and a loss of \$1,091,030 (2006- \$862,041) for the nine months ended September 30, 2007. The increase in loss from operations for both the three and nine months ended September 30, 2007 is predominantly attributable to stock based compensation expense. On a year to date basis, with the exception of stock based compensation, costs in all other expense categories were reduced.

On June 29, 2007, the Company moved up to Tier 1 status on the TSX Venture Exchange. In September 2007, the Company received final regulatory approval for the continuance of its charter into Ontario as well as a name change from United Bolero Development Corp. to Bolero Resources Corp.

During 2007, the Company continued to focus on its Bald Butte and Cannivan Gulch molybdenum properties. Drill programs were carried out on both properties.

The Company entered into an option agreement to acquire 50% of the Arcadia property located in Canada's Nunavut territory. The option agreement was signed on July 31, 2007. The Company has flow through funds which will be utilized to meet its exploration obligations for the option agreement on the property.

In addition, management was actively pursuing new business opportunities. On October 15, 2007, the Company announced that it had entered into a Letter Agreement (the "Rico Letter Agreement") with Rico Renaissance LLC, Rico Land and Cattle Company, Rico High Altitude Investments LLC, Rico Properties LLC and Rico Mountain Life LLC to acquire certain private surface and mineral rights that host the Silver Creek molybdenum project and other copper-gold occurrences located in the Pioneer Mining District, in Dolores County, Colorado. The closing of the transaction is contingent upon the resolution of any issues identified upon completion of the due diligence process and obtaining free and clear title.

Operating Activities

The Bald Butte Agreement

The Company entered into an option agreement dated February 18, 2005 whereby the Company can acquire a 100% interest in the Bald Butte Property in Southwestern Montana. The option agreement includes a total of 22 patented claims, comprising approximately 350 acres, and an area of interest with a radius of 0.5 miles from the property boundaries. The Company acquired through staking, an additional 10 claims (contiguous to the property and included in the area of interest) to cover possible extensions of significant mineralization.

Under the option agreement, the Company is required to make certain cash payments and issue treasury shares. Details of the contractual requirements are disclosed in the notes to the year end financial statements.

Bald Butte is a quartz vein stockwork hosted molybdenite deposit, located approximately three miles south west of the historic Marysville gold mining district of Montana. Bald Butte is accessible by existing roads and a rail siding is within eight miles. The Butte-Mullan power line crosses a portion of the property and two existing flotation mills, MRI and Phillipsburg are both within 80 miles.

A report, dated November 22, 2005 and amended December 15, 2005, authored by John Thompson, P.Eng. and Michael Sandidge, P.Geo., incorporating the results of the 50 hole percussion drill program undertaken by the Company, was completed in compliance with National Instrument 43-101. Mr. Thompson, P.Eng. calculated an "Indicated Mineral Resource" of 390,000 short tons grading 0.13% molybdenum.

A mining plan of operation (based on a small quarry rate of 900 tonnes per day) was submitted by the Company to the Montana DEQ and was subsequently accepted. A Small Miner's Exclusion Statement ("SMES") as provided for in the provisions of the Montana Metal Mines Reclamation Act was completed by the Company and also submitted to the DEQ. The Company is excluded from the permitting requirements of the Act by the SMES submission. Operations commenced on November 1, 2005 on the Bald Butte quarry. A program of extensive road building/upgrading was undertaken. Actual mining operations commenced on December 5, 2005 with the removal of waste rock overlying the deposit. Actual processing of molybdenite material started on April 11, 2006. In mid 2006, the Company suspended the mining and milling operations at its Bald Butte quarry project. This decision was made when metallurgical test work confirmed lower than anticipated mill recoveries due to an elevated percentage of oxidized material coming from the specific area in the quarry being mined.

Subsequently, the Company provided to a laboratory, G & T Metallurgical Service, Kamloops, BC, additional material from the Bald Butte quarry that more closely represented the deposit. The first phase of metallurgical testing, designed to determine molybdenum recovery rates, determined that molybdenum in the ore body can be recovered into rougher concentrate between 90 to 95 percent. The rougher concentrate can then be processed into a marketable molybdenum concentrate with an overall molybdenum recovery rate of about 80 percent. (A marketable molybdenum concentrate contains at least 50 percent molybdenum.)

The Company's geological team completed a geologic mapping and interpretation of the Bald Butte quarry. Using this mapping information, a resource calculation determination was completed. In December 2006, the NI 43-101 compliant report on the Bald Butte property was completed by Broad Oak Associates, Toronto, Ontario. The report indicated an inferred resource of 105 million tons at a grade of 0.071% molybdenum (0.12% MoS₂) which was calculated using the polygonal method, containing 150 million pounds of molybdenum, (250 million pounds of MoS₂). The inferred resource was calculated using a 0.04% molybdenum cut-off grade. The contained MoS₂ represents total material contained and does not take into account metallurgical recoveries. The report recommended a two phase drilling program to increase the geological knowledge of the deposit.

In 2007, based on the recommendations from the Broad Oak Technical Report, the Company engaged Ruen Drilling, Inc. of Clark Fork, Idaho to conduct a 5,500 metre (approximately 18,000 feet) drill program on the Bald Butte deposit. The objectives of the drill program are: to conduct confirmatory infill and step out drilling to expand the overall resource and upgrade portions of it to the measured and indicated categories; and to conduct additional exploratory drilling in the area of the Bald Butte pit where high grade mineralization had previously been reported. The Company also engaged ALS Chemex of Reno, Nevada to analyze the core samples from the drill program.

Drilling commenced on June 16, 2007. The program was aggressively pursued throughout the third quarter with approximately 10,500 feet of core drilling completed in ten core holes by the end of September 2007. A contract was executed with Big Snowy Resources of Billings, MT for core drilling to supplement the drilling already contracted with Ruen Drilling Inc.

The results of the first four diamond drill holes were reported on October 17, 2007. The table below shows the significant intercepts resulting from holes BB07-1, BB07-2, BB07-5, and BB07-10. A 0.04% Mo cut-off for the significant intercepts has been used and therefore only those intercepts that are at least 20 feet in thickness and have grades of 0.04% Mo or greater have been listed.

SIGNIFICANT INTERCEPTS, CORE HOLES BB07-1, 2, 5, AND 10, BALD BUTTE MOLYBDENUM PROJECT, LEWIS AND CLARK COUNTY, MONTANA UNITED BOLERO DEVELOPMENT CORP., OCTOBER 7, 2007

Hole Number	From Feet	To Feet	Intercept Thickness	Avg Mo%
BB07-1	188	238	50	0.040
	238	268	30	0.072
	268	298	30	0.123
	298	408	110	0.048
	578	598	20	0.041
	778	798	20	0.176
BB07-2	30	150	120	0.060
	150	170	20	0.140
	170	200	30	0.044
	200	230	30	0.090
	230	310	80	0.045
	310	360	50	0.064
BB07-5	360	470	110	0.106
	160	189.3	29.3	0.045
	189.3	240	50.7	0.064
	260	370	110	0.068
	370	400	30	0.104
	400	509.2	109.2	0.085
	509.2	530	20.8	0.122
	530	629.5	99.5	0.072
BB07-10	629.5	670	40.5	0.047
	690	720	30	0.077
	229	299	70	0.049
	349	389	40	0.045
	389	409	20	0.088
	479	499	20	0.046
	529	559	30	0.048
	559	579	20	0.060
	749	779	30	0.042

Three of the four new holes were drilled to the depths planned but hole BB07-2, which the Company had planned to drill to a depth of 1,000 feet, encountered a broken zone that forced abandonment of the hole at a depth of 470 feet. The last 110 feet of hole BB07-2 averaged 0.106% Mo.

These first four holes have established continuity of the upper (main) zone of mineralization as projected in our preliminary modeling and have better defined the limits of a deeper zone in the north eastern portion of the mineralization which may represent a structurally controlled feeder zone.

Results for the fifth and sixth diamond drill holes (BB07-3 and BB07-13) were reported on November 13, 2007. Hole BB07-3, averaged 0.054% Mo (0.090% MoS₂) from a depth of 110 feet to a depth of 820 feet for an interval of 710 feet. This average includes all footage within this interval including those intercepts which were below a 0.03% Mo cut-off. The following table presents the intercepts within this interval that are at least 20 feet in thickness and average 0.03% Mo (0.05% MoS₂) or greater.

Hole BB07-3 Total Depth- 907 feet Vertical Hole

FROM(feet)	TO(feet)	INTERVAL(feet)	GRADE-%Mo	GRADE-%MoS ₂
110	130	20	0.045	0.075
130	160	30	0.033	0.055
160	180	20	0.082	0.137
180	200	20	0.037	0.062
200	270	70	0.054	0.090
270	330	60	0.081	0.135
330	470	140	0.052	0.087
470	560	90	0.076	0.127
560	580	20	0.034	0.057
650	690	40	0.035	0.058
690	780	90	0.066	0.110
780	820	40	0.039	0.065

Results for Hole BB07-13 indicate a 370 foot intercept from 470 feet to 840 feet averaging 0.056% Mo (0.093% MoS₂). In addition, Hole BB07-13 has numerous lower grade intervals both above and below the main mineralized zones.

The summer 2007 drilling has indicated that the intensely altered contact zone of the Bald Butte quartz monzonite intrusive is especially strongly mineralized. Follow-up drilling programs have been designed and have been submitted to the Montana Department of Environmental Quality and the U.S. Bureau of Land Management for approval. Drilling on the Bald Butte property is still in process and weather permitting, the Company plans to continue the drilling program through the fall and winter of 2007-2008.

Equipment and facilities to cut, log and store core have been improved and core cutting and sampling have kept up with drilling. The old mine grid has been converted to UTM and a digital base map was prepared showing the previous geological map, new pit mapping, new and old drill holes and new surface mapping and sampling.

The Company has engaged Geomatrix, an environmental consulting firm from Helena, Montana to assist in carrying out an environmental monitoring program. Initial surface water sampling has begun.

A detailed land status study of the Bald Butte property and the surrounding area has been completed. Based on the results of the review, fifty new claims were staked around the core group of patented claims to provide a buffer for exploration and eventual mining activities.

John Childs, Ph.D., Registered Geo (AZ) is the "qualified person" (as such term is defined by NI 43-101) on the Bald Butte project.

For the three months ended September 30, 2007, the Company incurred \$463,137 of deferred development costs.

As at September 30, 2007, the Company has incurred \$712,698 in acquisition costs and \$3,686,196 toward deferred development costs on the Bald Butte mineral property. Acquisition costs include \$145,663 for estimated asset retirement obligations.

Cannivan Gulch Mining Exploration and Option Agreement

On December 30th, 2004, Bolero entered into the Cannivan Gulch Mining Exploration and Option Agreement ("MEOA") to acquire a 100% interest in the Cannivan Gulch molybdenum project. The property was acquired from MKM Enterprises and Verde Ltd. (the "vendors") based out of Missoula, Montana. In order to earn a 100% interest in the property, net of a 2% Net Smelter Royalty (NSR), United Bolero is required to make specific cash and share payments. These requirements are disclosed in the notes to the financial statements.

The Cannivan Gulch property was previously explored between the years 1968 and 1981 by Cyprus-Amex, Amoco and others. A total of 55 core holes totalling 88,450 feet were drilled and 2,514 feet of underground development was completed. Based on the results of these earlier exploration programs, an estimated 300 million tons grading 0.06% molybdenum ("Mo") containing 360,000,000 pounds of Mo had been identified. The historical resource was calculated at a 0.03% Mo cut-off resulting in a preliminary pit design with a 0.97:1 stripping ratio. These historic estimates are not supported by a current independent technical report and the Company cannot provide a current reserve estimate until it performs and completes its own updated study. The Company cannot state that there are current mineral reserves or resources on the Cannivan Gulch property and cannot state that it has demonstrated economic viability.

A review of all the previous work on the property has been completed. Forty-six (46) drill pulp samples from the historical drill holes on the property were re-analyzed in 2007 by ALS Chemex. The new analyses track well with the historical Mo results and all results are available on the Bolero web site.

A Plan of Operations for a drilling program was submitted to the U.S. Forest Service on March 12, 2007. The key objective of the 2007 drill program was to drill four holes totalling approximately 1,890 metres (6,200 feet). The holes were designed to confirm and expand the historical non 43-101 compliant resource. The core obtained from the drilling would also be used for metallurgical studies to supplement the historical results. Discussions were held with the U.S. Forest Service and the Montana Department of Environmental Quality, Montana Department of Fish Wildlife and Parks and other groups regarding permitting and environmental issues. The Company's proposed drilling activities were explained to local interest groups.

New drill sections oriented north-south and east-west were constructed on 200 foot centers and new level plans were also constructed on 200 foot centers. These were used to design the drill holes for the 2007 drilling program. The sections and plans are also being used to evaluate mining methods and possible extensions of the mineralized system.

A water monitoring plan was designed and preliminary field visits were made to evaluate environmental issues. Previous environmental reports on the Cannivan property, prepared by Western Technology and Engineering Inc. for Amoco in June 1982, were obtained and reviewed.

An investigation of water rights for the Cannivan project and other geologic targets in the immediate project area was undertaken. In July 2007, water rights to the property were transferred to the Company and in August 2007, these rights were filed with the state of Montana.

In August 2007, the Company obtained a letter of approval for its proposed drill program. A helicopter-supported core drilling program was initiated at Cannivan Gulch on September 7, 2007 after significant delays caused by a slow permitting process and a lack of helicopters during a very difficult fire season in Montana. Two holes were completed during September for a total footage of 2,077 feet. Freezing water lines and intense snow storms forced the termination of the drilling program in early October 2007.

Drill Hole CG07-1 totalled 602 feet and was designed to test near-surface mineralization in the immediate area of old Hole CG-1 which was drilled by Cyprus Mines Corporation (later Amoco Minerals Company) in 1973. The core from CG07-1 has been geologically logged and sawed in half. Results from this hole have been received and are currently being compiled. Mineralization in this hole extends from the surface to the total depth of the hole at 602 feet. Hole CG07-2 was drilled to a depth of 1,475 feet and preliminary geological logging indicates that this hole is also well mineralized. Hole CG07-2 is presently being geologically logged in detail and sawed. Assay results for Hole CG07-2 are pending.

Additional drilling is planned for Cannivan Gulch during the 2008 field season. A plan of operation for the 2008 drilling season has been submitted for approval by the U.S. Forest Service and the Montana Department of Environmental Quality. A preliminary surface water sampling program has been initiated and is ongoing as part of a baseline environmental study.

Broad Oak Associates has been retained to prepare a NI 43-101 compliant technical report on the Cannivan Gulch property to bring historical data created by Cyprus-Amax and others into current regulatory compliance. The work for the report is currently underway.

John Childs, Ph.D., Registered Geo (AZ) is the "qualified person" (as such term is defined by NI 43-101) on the Cannivan Gulch project.

For the three months ended, September 30, 2007, the Company incurred \$65,620 towards deferred development costs on the Cannivan Gulch property.

As at September 30, 2007, the Company has incurred \$311,292 in acquisition costs and \$165,196 toward deferred development costs on the Cannivan Gulch property.

Copper Star Group of Claims

In the first quarter of 2006, the Company acquired prospective property in the Silver Star mining district, in Madison County, Montana. Four claims were staked on the property. The property is adjacent to and on strike with, a property being explored by Coronado Resources Ltd called Madison property. Coronado reported assay results of one of its drill holes of 41.05% copper over a core length of 27 feet within a larger intercept of 64 feet grading 19.24% copper. Additionally, Coronado reported gold assays further down the hole of 54.4 feet of 0.354 ounces of gold per ton.

During the staking operation, oxidized gossan as well as copper stained (malachite and azurite) material were found on the surface (float) of the properties acquired. The Company staked an additional two claims (Copper Star No.'s 5 and 6) after a ground survey was completed.

Mr. Marvin A. Mitchell, P. Eng. (BC) is an advisor to the Company, and is the qualified person (as such term is defined in NI 43-101) for the Copper Star Project. Mr. Mitchell visited the property to suggest a program of exploration. It was determined that the historic open pit mines and newly discovered mineralized zone on the Coronado ground appears to lie about 2,200 feet or 670 metres to the northwest of the west boundary of Copper Star No. 1 Claim and about 1,725 feet or 525 meters east of the east boundary of the newly acquired Copper Star No. 6 Claim.

In addition, the field examination indicated that the favourable contact between the intrusive and the limestone extends onto the Company's claims for a total of approximately 3,000 to 3,500 feet or 900 to 1,050 metres. A number of skarn zones showing mineralized material as well as several historic mine pits were noted in this intrusive/limestone contact on the Company's claim further demonstrating that the contact carries skarn throughout the Company's claims and beyond.

The Company continues to review its options to maximize the value of its six claims at Copper Star including, but not limited to, exploration and joint venture.

The Company incurred expenditures in 2007 to maintain its claims.

Arcadia Property

In 2007, the Company entered into an Option Agreement to acquire a 50% interest in the Arcadia property, a 1,280 hectare area of Inuit-owned land located in Canada's Nunavut territory from NPN Investment Group Inc. (NPN). Under the option agreement, the Company is required to pay \$15,000, issue 75,000 common shares of the Company, and to complete \$600,000 worth of exploration work over the next two years. The option agreement has received regulatory approval.

The Arcadia property represents an Archean lode-gold deposit located on the Arctic Ocean in Canada's Nunavut territory. A historic resource estimate of 640,650 tonnes averaging 7.2 g/t gold (containing about 148,000 oz. gold) in the North Central Vein and 139,524 tonnes averaging 8.6 g/t gold (or 38,600 contained oz. gold) in the Fred Vein have been reported for the property. These resource estimates were completed prior to 2001 and are non 43-101 compliant. These historic estimates are not supported by a current independent technical report and the Company cannot provide a current reserve estimate until an updated study is performed and completed. The Company cannot state that there are current mineral reserves or resources on the property. All of the historic diamond drilling data has been compiled into a Gemcom database. Sufficient salt, fuel and construction materials are on site to support a 5,000 foot diamond drilling program. Additionally, all permits are in place, as well as a reclamation bond, to allow for diamond drilling. United Bolero and NPN are planning on an aggressive surface exploration and diamond drilling program in 2007 to confirm the historic resources, as well as to test for new exploration targets. Robert McLeod, P Geo., Vice President Exploration, for Full Metal Minerals Ltd., is the qualified person as defined by NI 43-101. Equity Engineering Ltd., a Vancouver Based Mining Consulting Group, has been engaged to complete a NI 43-101 report on the Arcadia Property.

The \$15,000 required cash payment has been made and the 75,000 common shares of the Company have been issued.

Results of Operations

The results of operations reflect the overhead costs incurred for mineral property acquisitions and exploration expenses incurred by the Company to maintain good standing with the various regulatory authorities and to provide an administrative infrastructure to manage the acquisition, exploration, and financing activities of the Company. General and administrative costs can be expected to increase or decrease in relation to the changes in activity required as property acquisitions and exploration continues. As at September 30, 2007, the Company had not recorded any significant revenues from its projects in either oil and gas, or mineral exploration and development.

Revenues

Due to the Company's status as an exploration and development stage mineral resource company, and a lack of commercial production from its properties, the Company currently does not have significant revenues from its operations.

Expenses-three months ended September 30, 2007

Expenses before interest and foreign exchange for the three months ended September 30, 2007 were \$333,397 compared to \$207,405 for the same period in 2006. A brief description of each of the significant changes is provided below:

- An increase of \$119,318 in stock based compensation attributable to the issuance of additional options during the first quarter of 2007 and the impact of the amortization of options issued in the latter half of 2006.

- An increase of \$20,475 in shareholder communications and promotion as a result of entering into a contract with Renmark Financial in the first quarter of 2007 to provide investor and media relations services.
- A decrease of \$6,849 in travel and accommodation as a result of decreased travel activity.
- A decrease of \$4,476 in office, rent and miscellaneous expense predominantly as a result of rent recovery from other tenants.

The Company saw an increase of \$19,297 in interest revenue as a result of higher cash balances. The Company also experienced an increase \$20,274 in foreign exchange gain due to the favourable Canadian dollar exchange rate relative to the US dollar.

Expenses-nine months ended September 30, 2007

Expenses before interest and foreign exchange for the nine months ended September 30, 2007 were \$1,176,768 compared to \$852,643 for the same period in 2006. A brief description of each of the significant changes is provided below:

- An increase of \$490,052 in stock based compensation attributable to the issuance of additional options during the first quarter of 2007 and the impact of the amortization of options issued in the latter half of 2006.
- A decrease of \$46,451 in shareholder communications and promotion. In the first quarter of 2006, the Company paid \$92,453 (US\$80,000) for an investor relations contract with a German based company. The contract expired in 2006. The reductions from the cancellation of the German contract is partially offset by the costs of the Renmark investor and media relations contracts.
- A decrease of \$49,923 in professional fees. In 2006, the Company incurred additional legal and accounting expenses related to its subsidiary MTM Moly and the transfer of its accounting records between accounting service providers.
- A decrease of \$21,755 in management and administration fees as a result of a reduction in management staff.
- A decrease of \$19,379 in office, rent and miscellaneous expense predominantly as a result of rent recovery from other tenants, elimination of the office and rent charges for its subsidiary MT Moly, and other cost control efforts.
- A decrease of \$22,293 in travel and accommodation as a result of decreased travel activity.

The Company experienced an increase of \$52,644 in interest revenue, and a \$42,292 reduction in foreign exchange loss for the same reasons as outlined for the three months ended September 30, 2007.

In the first quarter of 2006, the Company recorded a future income tax recovery of \$61,200. There is no income tax recovery in 2007 as the benefit for the 2006 flow through financing was recorded in the year end financial statements.

Summary of Quarterly Results

The following table sets out selected consolidated quarterly information for the last eight quarters of 2007, 2006 and 2005:

Three Months Ended	September 30, 2007	June 30, 2007	March 31, 2007	December 31, 2006
	\$	\$	\$	\$
Revenue	Nil	Nil	Nil	Nil
Loss	288,212	463,791	339,027	458,264
Loss per Common Share	0.00	(0.01)	(0.01)	(0.01)
Net Loss	288,212	463,791	339,027	681,064
Net Loss per Common Share	0.00	(0.01)	(0.01)	(0.01)
Three Months Ended	September 30, 2006	June 30, 2006	March 31, 2006	December 31, 2005
Revenue	Nil	Nil	Nil	Nil
Loss	201,791	290,042	370,208	400,220
Loss per Common Share	0.00	(0.01)	(0.01)	(0.01)
Net Loss	201,791	290,042	309,008	639,593
Net Loss per Common Share	0.00	(0.01)	(0.01)	(0.02)

Liquidity and Capital Resources

The Company's cash position was \$2,940,142 at September 30, 2007 compared to \$3,100,663 at December 31, 2006. The Company expects that additional cash may be available through the exercise of options and warrants and since September 30, 2007 has already received an additional \$410,092.

At September 30, 2007, the Company had working capital of \$2,863,348 compared to \$2,903,524 at December 31, 2006. For the nine months ended September 30, 2007 the Company obtained \$1,858,203 from the exercise of options and warrants, and utilized \$445,918 for operating activities and \$1,446,332 for mineral property expenditures, equipment and deferred transaction costs.

Any commitments to pay cash or issue shares pursuant to mineral property option agreements, or to incur expenditures related to flow through funding, are disclosed in the notes to the annual financial statements. While the Company believes it will have adequate working capital to fund its minimum operations over the short term, it shall endeavour to raise additional capital as and when required to meet its obligations.

The Company's only long-term debt is its asset retirement obligation. There were no material credit facilities in place as at September 30, 2007.

Subsequent to September 30, 2007 the Company entered into a Term Facility with Auramet Trading, LLC pursuant to which Auromet will, subsequent to satisfaction of certain conditions precedent, lend the sum of US\$10 million. The money would be utilized for the acquisition of the Rico Colorado Project. The cost of entering into the facility was \$100,000 and the issuance of 1,250,000 warrants exercisable at \$0.45 per share for a period of two years.

Related Party Transactions

During the nine months ended September 30, 2007, the Company entered into the following transactions with related parties:

- a) Paid or accrued management fees of \$121,500 (2005 - \$143,282). \$90,000 was paid to R. Bruce Duncan (president), \$67,500 to Robert Gardner (Chairman of the Board), \$34,500 to Mike England (former director)
- b) Paid or accrued professional fees of \$29,500 (2006-\$37,750) to Olga Nikitovic (CFO)

These transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

Off Balance Sheet Arrangements

The Company is not a party to any off balance sheet arrangements or transactions.

Critical Accounting Estimates

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

Financial Instruments

The Company's financial instruments consist of cash, receivables, reclamation deposit, accounts payable and accrued liabilities, and asset retirement obligations. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

The Company is exposed to financial risk arising from fluctuations in foreign exchange rates and the degree of volatility of those rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

Proposed Transactions

The Company continues to review and assess possible transactions.

Contingencies

The Company does not have any existing contingent liabilities. The contingent liabilities reported in the year end financial statements have been resolved and the settlements have been reflected in the financial statements.

Subsequent Events

There are no significant subsequent events other than those disclosed in the notes to the financial statements.

Disclosure Controls

The Company's Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining the Company's disclosure controls and procedures. The Company's policy requires all staff to keep the Chief Executive Officer and Chief Financial Officer fully apprised of all material information affecting the Company so that the information could be evaluated to determine the appropriateness and timing for public release. Access to such material information is facilitated by the small size of the Company's staff.

The Chief Executive Officer and Chief Financial Officer, after evaluating the effectiveness of the Company's disclosure controls and procedures as of September 30, 2007, have concluded that the Company's disclosure controls and procedures are currently adequate and effective to ensure that material information relating to the Company and its subsidiaries are known to them.

Management's Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgements and have been properly reflected in the financial statements.

Management maintains a system of internal controls to provide reasonable assurances that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

Other MD&A Requirements

As at November 24, 2007, the Company has 70,997,855 shares outstanding, or 87,368,921 shares on a fully diluted basis. If the Company were to issue 11,221,068 shares upon the conversion of all of its outstanding warrants and 5,149,998 shares upon the conversion of all of its outstanding stock options, it would raise \$5,854,945.

BOLERO RESOURCES CORP.

CORPORATE DATA

November 24, 2007

HEAD OFFICE

Suite 1220, 789 West Pender Street
Vancouver, BC V6C 1H2
Tel: (604) 683-3995
Fax: (604) 683-3988
Email: info@unitedbolero.com
Website: www.unitedbolero.com

REGISTRAR & TRANSFER AGENT

Pacific Corporate Trust Company
510 Burrard Street, 2nd Floor
Vancouver, BC V6C 3B9

DIRECTORS AND OFFICERS

R. Bruce Duncan	President & CEO, Corp. Secretary & Director
Robert C. Gardner, Q.C.	Chairman, Director
Brian R.D. Smith, Q.C.	Director
R. Stuart Angus, LLB	Director
Olga Nikitovic, CA	CFO

CAPITALIZATION

Authorized:	Unlimited
Issued:	70,997,855
Escrow:	Nil

SOLICITOR

Aird & Berlis, LLP
Barristers and Solicitors
BCE Place, Suite 1800
Box 754, 181 Bay Street
Toronto, Ontario M5J 2T9
Tel: (416) 865-4631
Fax: (416) 863-1515

AUDITORS

McGovern, Hurley, Cunningham, LLP
2005 Sheppard Avenue East, Suite 300
Toronto, Ontario M2J 5B4
Phone: (416) 496-1234
Fax: (416) 496-0125

INVESTOR CONTACTS

Renmark Financial Communications Inc.
2080 René-Lévesque Blvd. West
Montreal, QC H3H 1R6
Phone: (514) 939-3989
Fax: (514) 939-3717

LISTINGS

TSX Venture Exchange
Trading Symbol: BRU.V
Cusip No.: 09752T107

Frankfurt Exchange
Trading Symbol: "U7N"