FORM 5

QUARTERLY LISTING STATEMENT

Name of CNQ Issuer: SILVER PHOENIX RESOURCES INC.__(the "Issuer").

Trading Symbol: SP

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities* Act, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CNQ Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the CNQ.ca website.

General Instructions

Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

The term "Issuer" includes the CNQ Issuer and any of its subsidiaries.

Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows: A**ttached are the interim financial statements for the period ending June 30, 2009.**

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

See the attached Financial Statements and MD&A for the interim period ending June 30, 2009.

A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.

A description of the transaction(s), including those for which no amount has been recorded.

The recorded amount of the transactions classified by financial statement category.

The amounts due to or from Related Persons and the terms and conditions relating thereto.

Contractual obligations with Related Persons, separate from other contractual obligations.

Contingencies involving Related Persons, separate from other contingencies.

Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

There were no securities issued during the period.

summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

summary of options granted during the period, **There were no Options granted during the period.**

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
Nil	Nil	Nil	Nil	Nil	Nil	Nil

Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

number and recorded value for shares issued and outstanding, description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

Shares Authorized	Issued & Outstanding	Options	Warrants/ Convertible Securities	Escrow Securities
Common Shares, Unlimited number of shares	6,830,520. common shares issued and outstanding; the recorded value for shares issued and outstanding is $963,350.	680,000.	680,000. Options exercisable at a price of $0.25 per share until July 7, 2013	2,116,800 shares

List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

William James Murray	**CEO, President, Director & Promoter**
Leland Voll	**Director & Promoter**
James McFaull	**Director**
Wesley Pomeroy	**Director**
Leslie Kjosness	**Director**
David Lajack	**Director**
Roxann Eddy	**CFO & Secretary**

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

Certificate Of Compliance

The undersigned hereby certifies that:

The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.

As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

The undersigned hereby certifies to CNQ that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNQ Requirements (as defined in CNQ Policy 1).

All of the information in this Form 5 Quarterly Listing Statement is true.

Dated August 27, 2009

William James Murray
Name of Director or Senior Officer

"William J. Murray"
Signature

CEO & President

Official Capacity

Issuer Details Name of Issuer SILVER PHOENIX RESOURCES INC	For Quarter Ended JUNE 30, 2009	Date of Report YY/MM/D 2009-08-27
Issuer Address 4631 – 75TH AVENUE NE PO BOX 134		
City/Province/Postal Code CANOE BC V0E 1K0	Issuer Fax No. (250)832-0338	Issuer Telephone No. (250)832-0336
Contact Name WILLIAM JAMES MURRAY	Contact Position CEO & PRESIDENT	Contact Telephone No. 250-832-0336
Contact Email Address HYPERLINK "mailto:bmurray@sunwave.net" bmurray@sunwave.net		
Web Site Address		

SILVER PHOENIX RESOURCES INC.

(An Exploration Stage Company)

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

JUNE 30, 2009

(Unaudited – Prepared by Management)

Reader's Note:

These interim financial statements for the six months ended June 30, 2009 of Silver Phoenix Resources Inc. ("Silver Phoenix" or the "Company") have been prepared by management and have not been subject to review by the Company's auditors.

SILVER PHOENIX RESOURCES INC.
(An Exploration Stage Company)
INTERIM BALANCE SHEETS

		June 30, 2009 (unaudited)		December 31, 2008
ASSETS				
CURRENT ASSETS				
Cash	$	344,031	$	391,465
GST recoverable		4,204		19,068
		348,235		410,533
Reclamation deposit		1,500		5,000
Long-term investments (Note 4)		31,500		-
Mineral properties (Note 5)		158,018		232,542
Equipment (Note 6)		2,592		2,972
	$	541,845	$	651,047
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	$	185,421	$	160,246
		185,421		160,246
SHAREHOLDERS' EQUITY				
Share capital (Note 7(a))		963,350		989,029
Contributed surplus (Note 7(b))		106,124		106,124
Deficit		(713,050)		(604,352)
		356,424		490,801
	$	541,845	$	651,047

NATURE OF OPERATIONS AND CONTINUANCE OF BUSINESS (Note 1)
COMMITMENTS (Note 9)

Approved on behalf of the Board:

"William Murray" Director
William Murray

"Leland Voll" Director
Leland Voll

(The accompanying notes are an integral part of these financial statements.)

SILVER PHOENIX RESOURCES INC.

(An Exploration Stage Company)

INTERIM STATEMENTS OF OPERATIONS AND DEFICIT

Unaudited - Prepared by Management

	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008
Expenses				
Amortization	$ 190	$ 259	$ 380	$ 519
Auto and travel	1,281	772	2,156	5,911
Bank charges	32	145	78	170
Exploration costs	-	2,558	-	2,558
Filing fees	4,754	600	11,304	2,030
Management fees	28,500	28,500	57,000	43,500
Office and miscellaneous	3,014	892	3,988	2,622
Professional fees	15,494	29,166	29,514	38,221
Promotion	355	222	4,826	1,901
Telephone and utilities	914	955	1,650	1,526
Transfer agent	937	178	2,284	344
Loss before other items	(55,471)	(64,247)	(113,180)	(99,302)
Other items				
Interest income	2,728	7,607	4,482	13,617
Net loss for the period	(52,743)	(56,640)	(108,698)	(85,685)
Deficit, beginning of period	(660,307)	(348,969)	(604,352)	(319,924)
Deficit, end of period	$ (713,050)	$ (405,609)	$ (713,050)	$ (405,609)
Net loss per share – basic and diluted	$ (0.01)	$ (0.03)	$ (0.02)	$ (0.04)
Weighted average number of common shares	6,830,520	2,250,000	6,830,520	2,250,000

INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(Unaudited – Prepared by Management)

	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008
Net loss for the period	$ (52,743)	$ (56,640)	$ (108,699)	$ (85,685)
Other comprehensive income (loss)				
Unrealized gain on available for sale long-term investment (Note 4)	(3,500)	-	-	-
Comprehensive loss for the period	$ (56,243)	**$** (56,640)	$ (108,699)	$ (85,685)

(The accompanying notes are an integral part of these financial statements.)

SILVER PHOENIX RESOURCES INC.
(An Exploration Stage Company)
INTERIM STATEMENTS OF CASH FLOWS
Unaudited - Prepared by Management

	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008
Operating Activities				
Net loss for the period	$ (52,743)	$ (56,640)	$ (108,698)	$ (85,685)
Items not involving cash:				
Amortization	190	259	380	519
	(52,553)	(56,381)	(108,318)	(85,166)
Changes in non-cash working capital items:				
GST recoverable	6,662	(1,118)	14,864	(2,522)
Accounts payable and accrued liabilities	(11,286)	11,162	44	320
	(57,177)	(46,337)	(93,410)	(87,368)
Investing Activities				
Reclamation deposits	3,500	-	3,500	-
Option payment received for mineral property	-	-	75,000	-
Mineral property exploration expenditures	(31,863)	(2,494)	(31,863)	(18,461)
	(28,363)	(2,494)	46,524	(18,461)
Financing Activities				
Warrant issuance costs	(476)	-	(548)	-
Increase (decrease) in amount due to related party	-	(8,829)	-	(8,829)
	(476)	(8,829)	(548)	(8,829)
(Decrease) in cash during the period	(86,016)	(57,660)	(47,434)	(114,658)
Cash, beginning of the period	430,047	659,287	391,465	716,285
Cash, end of the period	$ 344,031	$ 601,627	$ 344,031	$ 601,627
Supplemental cash flow Information				
Cash (paid) received for:				
Interest	$ 2,728	$ 7,607	$ 4,482	$ 13,617
Income taxes	$ -	$ -	$ -	$ -
Non-cash investing and financing activities				
Shares received for mineral property	$ -	$ -	$ 31,500	$ -

(The accompanying notes are an integral part of these financial statements.)

1. NATURE OF OPERATIONS AND CONTINUANCE OF BUSINESS

Silver Phoenix Resources Inc. (the "Company") was incorporated on February 14, 2003 under the Company Act (British Columbia).

The Company 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 recoverability of amounts shown for mineral properties and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition thereof.

The Company has incurred recurring losses since its inception, and had an accumulated deficit of $713,050 at June 30, 2009 which has been funded primarily by issuance of special warrants. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared in accordance with accounting principles generally accepted in Canada and follow the same accounting policies and methods consistent with those used in the preparation of the most recent annual audited financial statements except as noted below. These interim financial statements do not include all information and note disclosures required by Canadian GAAP for annual financial statements, and therefore should be read in conjunction with the Company's audited financial statements as at December 31, 2008.

3. CHANGES IN ACCOUNTING POLICIES

Credit risk and fair value of financial assets and financial liabilities

In January 2009, the CICA approved EIC-173 "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities." This guidance clarified that 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. The Company has evaluated the new section and determined that adoption of these new requirements will have no impact on the Company's financial statements. The Company does not expect that the adoption of this standard will have a material impact on its financial statements.

Goodwill and Intangible Assets - Section 3064

In February 2008, the AcSB issued CICA Handbook Section 3064, "Goodwill and Intangible Assets", which replaces Section 3062, "Goodwill and Intangible Assets", and Section 3450, "Research and Development Costs". Section 3064 establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. This new standard is effective for the Company's interim and annual financial statements commencing January 1, 2009. The Company has evaluated this exposure draft and determined that it has no impact on its financial statements.

3. CHANGES IN ACCOUNTING POLICIES (continued)

Mining Exploration Costs

On March 27, 2009, the CICA approved EIC-174 "Mining Exploration Costs." This guidance clarified that an entity that has initially capitalized exploration costs has an obligation in the current and subsequent accounting periods to test such costs for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. This standard will be effective for the Company beginning on April 1, 2009. The Company is currently evaluating the impact of adopting this standard in 2009.

Recent accounting pronouncement not yet adopted

In January 2009, the Accounting Standards Board ("AcSB") issued CICA Handbook Section 1582, "Business Combinations", which replaces Section 1581, "Business Combinations". The AcSB also issued Section 1601, "Consolidated Financial Statements", and Section 1602, "Non-Controlling Interests", which replace Section 1600, "Consolidated Financial Statements". These new sections are based on the International Accounting Standards Board's ("IASB") International Financial Reporting Standard 3, "Business Combinations". These new standards replace the existing guidance on business combinations and consolidated financial statements. These new standards require that most assets acquired and liabilities assumed, including contingent liabilities, to be measured at fair value and all acquisition costs to be expensed. These new standards also require non-controlling interests to be recognized as a separate component of equity and net earnings to be calculated without a deduction for non-controlling interests. The objective of these new standards is to harmonize Canadian accounting for business combinations with the international and U.S. accounting standards. The new standards are to be applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011, with earlier application permitted. Assets and liabilities that arose from business combinations whose acquisition dates preceded the application of the new standards will not be adjusted upon application of these new standards. The Non-Controlling Interests standard should be applied retrospectively except for certain items.

In February 2008, the AcSB adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies will converge with International Financial Reporting Standards ("IFRS"). AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canadian GAAP. This date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. In July 2008 AcSB announced that early adoption will be allowed in 2009 subject to seeking exemptive relief. The Company continues to monitor and assess the impact of convergence of Canadian GAAP and IFRS.

4. LONG TERM INVESTMENTS

At June 30, 2009 the Company owned 175,000 shares of Armadillo Resources Ltd. (Note 4). At issuance these share had a fair value of $31,500. The fair value was determined based on published share prices at the balance sheet date in the active market.

	June 30, 2009	December 31, 2008
Fair value	$ 31,500	$ -
Cost	31,500	-
Unrealized gain (loss) (Note 9)	$ -	$ -

5. MINERAL PROPERTIES

June 30, 2009	Big Showing	Waverly Tangier	River Jordan	Total
Acquisition costs:				
Balance, beginning and ending	$ 1	$ 1	$ 1	$ 3
Deferred exploration expenditures:				
Balance, beginning of period	36,609	89,351	106,579	232,539
Expenditures during the year				
Option payment received	-	(75,000)	-	(75,000)
Shares received	-	(31,500)	-	(31,500)
Geologist fees and assays	18,950	-	12,913	31,863
Other costs	-	113	-	113
Balance, ending	55,559	(17,036)	119,492	158,015
	$ 55,560	$ (17,035)	$ 119,493	$ 158,018

December 31, 2008	Big Showing	Waverly Tangier	River Jordan	Total
Acquisition costs:				
Balance, beginning and ending	$ 1	$ 1	$ 1	$ 3
Deferred exploration expenditures:				
Balance, beginning of year	29,164	72,258	16,396	117,818
Expenditures during the year				
Geologist fees and assays	7,445	7,251	72,725	87,421
Camp and general	-	3,750	-	3,750
Other costs	-	6,092	17,458	23,550
Balance, ending	36,609	89,351	106,579	232,539
	$ 36,610	$ 89,352	$ 106,580	$ 232,542

5. MINERAL PROPERTIES (continued)

The Company's mineral properties are described as follows:

Big Showing Property, British Columbia

On February 14, 2003, the Company entered into an agreement to acquire a 100% interest in the Big Showing property for mineral claims for a total area of 1,000 hectares in the Revelstoke Mining Division of British Columbia. The Company acquired 90% of the property from the President and director of the Company and 10% from an individual who became a director of the Company November 1, 2006.

For payment of the property, the Company agreed to issue 750,000 common shares of the Company on the date of the agreement (issued), to pay $35,000 in cash by April 30, 2007 (paid), to issue 1,000,000 common shares of the Company within 30 business days of the date on which the Company receives a technical report disclosing an indicated mineral resource of 5,000,000 ounces of contained silver equivalent on the claims, and to issue a further 1,583,333 common shares within 30 business days of the date on which the Company receives a positive pre-feasibility study on the claims.

The transaction was considered a related party transaction and consequently 750,000 common shares issued as initial payment were recorded at the nominal carrying amount of the property of the related party vendors. The cash payment of $35,000 was charged to deficit in 2007.

Waverly Tangier Property, British Columbia

On March 15, 2004, the Company entered into an agreement to acquire a 100% interest in the Waverly Tangier Property for mineral claims for a total area of 5,675 hectares in the Revelstoke Mining Division of British Columbia. The Company acquired 90% of the property from the President and director of the Company and 10% from an individual who became a director of the Company on November 1, 2006.

The Company agreed to issue 750,000 common shares of the Company on the date of the agreement (issued), to pay $35,000 in cash (paid in August 2007), to issue 1,000,000 common shares of the Company within 30 business days of the date on which the Company receives a technical report disclosing an indicated mineral resource of 5,000,000 ounces of contained silver equivalent on the claims, and to issue a further 1,583,333 common shares within 30 business days of the date on which the Company receives a positive pre-feasibility study on the claims.

The transaction was considered a related party transaction and consequently 750,000 common shares issued as initial payment were recorded at the nominal carrying amount of the property of the related party vendors. The cash payment of $35,000 was charged to deficit in 2007.

Pursuant to the amended and restated option and royalty agreement dated February 25, 2009 with Armadillo Resources Ltd. (“Armadillo”), the Company granted Armadillo a 60% interest (the “First Option”) in the Waverley-Tangier property (the “Property”) located in the Revelstoke Mining Division of British Columbia (see Note 4). Armadillo agreed to pay to the Company $350,000 in cash, to incur $3,000,000 exploration expenditures and to issue 625,000 common shares of Armadillo to the Company on the date the TSX Venture Exchange issues the letter accepting the filing of the agreement (the “Approval Date”) as follows:

5. MINERAL PROPERTIES (continued)

Waverly Tangier Property, British Columbia (continued)

	Cash	Exploration Expenditures	Shares
Within 10 days after the Approval Date (Cash received and shares issued)	$ 75,000	$ –	175,000
Within 1 year after the Approval Date	75,000	200,000	150,000
Within 2 years after the Approval Date	100,000	300,000	150,000
Within 3 years after the Approval Date	100,000	1,000,000	150,000
Within 4 years after the Approval Date	–	1,500,000	–
	$ 350,000	$ 3,000,000	625,000

On March 30, 2009, the TSX Venture Exchange approved the Option Agreement and the Company received $75,000 and 175,000 shares were issued to the Company on March 23, 2009. (Note 4)

As part of the requirement for exercising the first option Armadillo agreed to pay for and deliver to the Company a Feasibility Study, as defined in National Instrument 43-101, no later than December 31, 2015. Armadillo is to deliver to the Company the exercise notice within 30 days from the delivery of the Feasibility Study.

Armadillo is also entitled to earn an additional 10% interest (the “Second Option”) in the Property by:

a) lending the Company, at the most attractive interest rate available and in no case greater than the London Interbank Offered Rate (“LIBOR”) plus ½%, all of the amounts that will be payable by the Company under the joint operations of the Property (the “Joint Venture”); and

b) causing the Joint Venture to put the Property into commercial production.

The Property is subject to a 3% net smelter return (“NSR”) royalty and the Joint Venture will pay annual advance royalty payments of $150,000 commencing on January 1, 2015 to the Company until the Property is put into commercial production. The advance royalty payments will be deducted from the NSR payments otherwise needed to be made.

River Jordon Property, British Columbia

On March 16, 2006, the Company entered into an agreement to acquire a 100% interest in the River Jordan Property for mineral claims for a total area of 649 hectares in the Revelstoke Mining Division of British Columbia. The Company acquired 90% of the property from the President and director of the Company and 10% from an individual who became a director of the Company on November 1, 2006.

The Company agreed to pay $35,000 in cash by April 30, 2007 (paid), to issue 750,000 common shares (issued in June 2007) of the Company, to issue 1,000,000 common shares of the Company within 30 business days of the date on which the Company receives a technical report disclosing an indicated mineral resource of 5,000,000 ounces of contained silver equivalent on the claims, and to issue a further 1,583,333 common shares within 30 business days of the date on which the Company receives a positive pre-feasibility study on the claims.

The transaction was considered a related party transaction and consequently 750,000 common shares issued as initial payment were recorded at the nominal carrying amount of the property of the related party vendors. The cash payment of $35,000 was charged to deficit in 2007.

6. EQUIPMENT

		Cost		Accumulated amortization		June 30, 2009 Net book value
Computer equipment	$	3,132	$	1,723	$	1,409
Equipment		2,477		1,294		1,183
	$	5,609	$	3,017	$	2,592

		Cost		Accumulated amortization		December 31, 2008 Net book value
Computer equipment	$	3,132	$	1,474	$	1,658
Equipment		2,477		1,163		1,314
	$	5,609	$	2,637	$	2,972

7. SHARE CAPITAL

a) Details of Share Capital:

Authorized: Unlimited common shares without par value
Issued and outstanding:

	Shares		Amount
Balance, December 31, 2007	2,250,000		3
November 11, 2008 warrants were exercised	4,580,520		989,026
Balance, December 31, 2008	6,830,520	$	989,029
Warrants issue costs	-		(25,679)
Balance, June 30, 2009	6,830,520	$	963,350

b) Contributed Surplus

		June 30, 2009		December 31, 2008
Balance – beginning of period	$	106,124	$	-
Fair value of stock-based compensation		-		106,124
Balance – end of period	$	106,124	$	106,124

7. SHARE CAPITAL (continued)

d) Stock Options

On April 18, 2008, the Company approved the adoption of a "rolling" stock option plan whereby a maximum of 10% of the issued common shares of the Company, from time to time, may be reserved for issuance pursuant to the exercise of options. The board of directors may, from time to time, grant options to directors, officers, employees and consultants of the Company. Options granted must be exercised no later than five years (if the Company is listed on the CNQ or a TSX Venture Exchange Tier 2 issuer) or ten years (if the Company is a TSX Venture Exchange Tier 1 issuer). The exercise price of an option cannot be less than the market price of the common share less applicable discounts permitted by the stock exchange on which the common shares are listed. Options begin vesting on the grant date based on a schedule outlined in the stock option plan.

At June 30, 2009, the options issued by the Company had a weighted average remaining contractual life of 4 years and were all exercisable, with details as follows:

Number of Options	Exercise Price	Expiry Date
680,000	$0.25	July 7, 2013

8. RELATED PARTY TRANSACTIONS

During the period ended June 30, 2009, the Company paid management fees of $42,000 (2008 - $28,500) to the President and $15,000 (2008 - $15,000) to the Chief Financial Officer, respectively. The related party transactions were measured at the exchange amount which is the amount agreed upon by the transacting parties and are on terms and conditions similar to non-related entities.

9. COMMITMENTS

a) The Company is committed to a management services agreement with the President and director of the Company. The agreement requires payments of $84,000 per year commencing April 1, 2008. This contract is payable monthly and may be terminated by both parties by giving one month's notice.

b) The Company is committed to a management services agreement with the Chief Financial Officer of the Company. The agreement requires payments of $30,000 per year commencing October 1, 2007. This contract is payable monthly and may be terminated by both parties by giving one month's notice.

c) The Company is obligated to make certain payments and issue shares as described in Note 4 in connection with acquisition of its mineral properties.

10. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of mineral properties, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. Capital of the Company comprises the items included in shareholders' equity.

10. CAPITAL MANAGEMENT (continued)

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

The Company's investment policy is to invest its cash in financial instruments of high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

11. FINANCIAL INSTRUMENTS AND RISK

Financial Instruments

As at June 30, 2009, the Company's financial instruments consist of cash, accounts payable and long-term investments. The fair values of cash and accounts payable approximate their carrying values because of their current nature.

The Company classifies its cash as held-for-trading, accounts payable as other financial liabilities and long-term investments as available-for-sale.

Available-for-sale financial assets are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due (Note 1). The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company ensures its holding of cash is sufficient to meet its short-term exploration and administrative expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits.

Foreign Exchange Risk

The Company does not have significant foreign exchange risk as all of its transactions are in Canadian dollars.

Interest Rate Risk

The Company manages its interest rate risk by obtaining the best commercial deposit interest rates available in the market by the major Canadian financial institutions.

Commodity Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

FORM 51-102F1
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR SILVER PHOENIX RESOURCES LTD.

Our Management's Discussion and Analysis

Introduction

Prepared August 20, 2009 for the period ended June 30, 2009. The following discussion and analysis of the financial condition and results of operations of Silver Phoenix Resources Ltd. (the "Company" or "Silver Phoenix") should be read in conjunction with the Company's audited annual financial statements for the year ended December 31, 2008, and the notes thereto. All dollar amounts referenced, unless otherwise indicated, are expressed in Canadian dollars.

Silver Phoenix is an exploration stage company engaged in acquiring, exploring and developing mineral properties, principally located in British Columbia, Canada. The Company has no mineral producing properties, and thus, has no revenues from any mineral properties.

The Company's results are measured in Canadian dollars using Canadian Generally Accepted Accounting Principles (GAAP). Note 2 of the notes to the audited annual financial statements indicates the accounting principles under which the financial data has been prepared.

Current Status

The level of the Company's future operations will be determined by the availability of capital resources, which will be derived from the issuance of special warrants and future financings.

The Company has incurred recurring losses since its inception, and had an accumulated deficit of $713,050 at June 30, 2009 which has been funded primarily by issuance of special warrants.

The operations to date have consisted of initial organizational costs and commencement of exploration. Included in these costs were management fees paid to the President and a director of $21,000 for the current quarter. The Company also incurred management fees for the Chief Financial Officer of $7,500 for the current period. The Company completed financing totaling $1,145,130 through subscriptions received for common shares at $0.25 per share during 2004 to 2007. In 2007, these share subscriptions were cancelled and the Company has issued special warrants as replacement. On November 11, 2008, 4,580,520 common shares of the Company were issued on exercise of the 4,580,520 special warrants.

Activities on Mineral Projects

The Company has acquired 100% interest in three properties, the Big Showing Property, the Waverly Tangier property and the River Jordan Property. In consideration for each property, the Company issued 750,000 shares and paid $35,000 for a total of 2,250,000 shares and $105,000.

Big Showing Property

On February 14, 2003, the Company entered into an agreement to acquire a 100% interest in the Big Showing property for mineral claims for a total area of 1,000 hectares in the Revelstoke Mining Division of British Columbia. The Company acquired 90% of the property from the President and director of the Company and 10% from an individual who became a director of the Company November 1, 2006.

For payment of the property, the Company agreed to issue 750,000 common shares of the Company on the date of the agreement (issued), to pay $35,000 in cash by April 30, 2007 (paid), to issue 1,000,000 common shares of the Company within 30 business days of the date on which the Company receives a technical report disclosing an indicated mineral resource of 5,000,000 ounces of contained silver equivalent on the claims, and to issue a further 1,583,333 common shares within 30 business days of the date on which the Company receives a positive pre-feasibility study on the claims.

The transaction was considered a related party transaction and consequently the 750,000 common shares issued as initial payment were recorded at the nominal carrying amount of the property of the related party vendors. The cash payment of $35,000 was charged to deficit in 2007.

The Big Showing Property covers three separate deposits of suphide mineralization called 1) Big Showing (formerly the Ruby Silver Showing); 2) Scout Showing and 3) Mammoth Showing. Mineralization consists of disseminations, blebs and aggregate of Pb-Zn-Ag sulphides hosted by silicified, iron-rich carbonate rocks within carbonaceous pelite and meta-volcanic rocks belonging to the Lower Paleozoic Hardeau Group. The deposits are thought to be structurally modified, stratiform in character, possibly SEDEX in origin. During the three months ended June 30, 2009, the Company completed an airborne survey for the Big Showing project. The cost for the airborne survey was $18,950. The work program planned for 2010 is subject to financing.

As at June 30, 2009, the Company had $55,560 of cumulative acquisition and exploration costs related to the Big Showing project.

Waverley Tangier Property

On March 15, 2004, the Company entered into an agreement to acquire a 100% interest in the Waverly Tangier Property for mineral claims for a total area of 5,675 hectares in the Revelstoke Mining Division of British Columbia. The Company acquired 90% of the property from the President and director of the Company and 10% from an individual who became a director of the Company on November 1, 2006.

The Company agreed to pay $35,000 in cash (paid in August 2007), to issue 750,000 common shares (issued) of the Company, to issue 1,000,000 common shares of the Company within 30 business days of the date on which the Company receives a technical report disclosing an indicated mineral resource of 5,000,000 ounces of contained silver equivalent on the claims, and to issue a further 1,583,333 common shares within 30 business days of the date on which the Company receives a positive pre-feasibility study on the claims.

The transaction was considered a related party transaction and consequently the 750,000 common shares issued as initial payment were recorded at the nominal carrying amount of the property of the related party vendors. The cash payment of $35,000 was charged to deficit in 2007.

The Waverley Tangier Property consists of two principle old mine workings: The Waverley which occur on the Tangier Claim (388305), and the Tangier, which occur on Waverley Claim (388306) and is situated at the head of the Sorcerer Creek, about 1 km below summit flats separating that creek from the head of Tangier Creek. Stratabound mineral occurrences in the project area are two main types: massive sulfide vein and carbonate replacement deposits. The Waverley and Tangier mineralization is similar to Polymetalic Manto-Type Replacement Deposits such as in the Midway of northern BC and Bluebell in southeast BC.

During the three months ended June 30, 2009, the Company incurred $nil exploration expenditures on the Waverley Tangier project.

As at June 30, 2009, the Company had $89,352 of cumulative acquisition and exploration costs prior to receiving a $75,000 option payment on March 31, 2009 related to the Waverley Tangier project and prior to receiving shares valued at $31,500.

The Company and Armadillo Resources Ltd. (“Armadillo”) entered into an option and royalty agreement dated January 9, 2009, as amended and restated on January 26, 2009 and as further amended and restated on February 25, 2009 (the “Option Agreement”) pursuant to which the Company granted Armadillo the option to acquire up to a 70% interest in the Company’s Waverly Tangier Property. The TSX Venture Exchange approved the Option Agreement and the Company received $75,000 on March 30, 2009 and 175,000 shares with a fair value of $31,500 were issued to the Company on March 23, 2009 as detailed below.

To earn a 60% interest Armadillo must:

(a) Pay the Company $350,000 over 4 years, as follows,
  (i) $75,000 within 10 days of approval by the TSX Venture Exchange (paid);
  (ii) $75,000 after the first year;
  (ii) $100,000 after the second year; and
  (iv) $100,000 after the third year;

(b) Incur exploration expense of at least $3,000,000 as follow:
  (i) Incur exploration expense of $200,000 the first year;
  (ii) Incur exploration expense of a further $300,000 by the second anniversary;
  (iii) Incur exploration expense of a further $1,000,000 by the third anniversary;
  (iv) Incur exploration expense of a further $1,500,000 by the fourth anniversary for a total of $3,000,000;

(c) Issue and deliver to the Company 625,000 shares of Armadillo over 4 years, including 175,000 shares (issued) on approval of the TSX Venture (completed) and 150,000 shares per year for next three years; and

(d) Fund all further exploration expense required in order to produce a feasibility study and then fund and produce a feasibility study made in accordance with National Instrument 43-101 by December 31, 2015.

Armadillo can acquire a further 10% in the Waverly Tangier Property for a total of 70% interest in the property by supplying the Company's share of the costs to put the Waverly Tangier Property into commercial production under a Joint Venture basis. The Company will retain a 3% Net Smelter Royalty. In addition, the Company is to be paid, starting the sixth anniversary, a Minimum Advance Royalty of $150,000 per year. The Waverly Tangier Property is fully described in the National Instrument 43-101 Report which was previously SEDAR filed by the Company.

Armadillo will be conducting an airborne geophysical survey to provide data to assist in determining the depth, length and width of the silver deposit as recorded in the 43-101 Technical Report. The electromagnetic survey is expected to be completed by May 2009, giving assistance in determining the location for the proposed 2009 summer drilling program.

River Jordan Property

On March 16, 2006, the Company entered into an agreement to acquire a 100% interest in the River Jordan Property for mineral claims for a total area of 649 hectares in the Revelstoke Mining Division of British Columbia. The Company acquired 90% of the property from the President and director of the Company and 10% from an individual who became a director of the Company on November 1, 2006.

The Company agreed to pay $35,000 in cash by April 30, 2007 (paid), to issue 750,000 common shares (issued in June 2007) of the Company, to issue 1,000,000 common shares of the Company within 30 business days of the date on which the Company receives a technical report disclosing an indicated mineral resource of 5,000,000 ounces of contained silver equivalent on the claims, and to issue a further 1,583,333 common shares within 30 business days of the date on which the Company receives a positive pre-feasibility study on the claims.

The transaction was considered a related party transaction and consequently the 750,000 common shares issued as initial payment were recorded at the nominal carrying amount of the property of the related party vendors. The cash payment of $35,000 was charged to deficit in 2007.

The River Jordan Property covers a sulphide deposit variously known as the River Jordan/Jordan River and the King Fissue Deposit which is a metamorphic rock – hosted massive sulphide deposit comprising Pb-Zn-Ag +/- Cu that has been variably described as a Broken Hill type and a sedimentary exhalative-type deposit. The deposit consists of a sulphide layer ranging up to 6 meters in thickness within calc-silicate gneiss. The property is located 19 km northwest of Revelstoke and covers Copeland Ridge between Copeland and Hiren Creek. Preliminary exploration was completed between August 8, 2008 and August 24, 2008 including geologic mapping, rock sampling and an orientation magnetometer survey, for an estimated cost of $71,153. The Company evaluated initial results and recommends that further exploration be carried out on the property. The Phase 1 program was estimated to cost $56,650. Management of the Company decided that it was prudent, more cost effective and more informative to do an airborne survey of the River Jordon project.

During the three months ended June 30, 2009, the Company incurred $12,913 in geologist fees to complete an airborne survey for the River Jordan project.

As at June 30, 2009, the Company had $119,493 of cumulative acquisition and exploration costs related to the River Jordan project.

Results of Operations

Silver Phoenix is a publicly traded Canadian exploration company with no mineral producing properties, and thus, does not have revenues from any mineral properties.

For the Three Months Ended June 30, 2009 as compared to the Three Months Ended June 30, 2008

Net Loss and Operating Expenses

In the current period, the Company experienced a net loss of $52,743 compared to a net loss of $56,640 for the comparative period in 2008, a decrease of $3,896. Since being listed on the Canadian National Stock Exchange, the Company had an overall decrease in its operating expenses due to a reduction in fees related to the Company's filing requirements.

Total operating expenses for the current period were $55,471 compared to operating expenses of $64,247 for the same period in 2008.

The Company had a loss per share of $0.01 as compared to $0.03 in the prior year.

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of Silver Phoenix and is derived from unaudited quarterly consolidated financial statements prepared by management. Silver Phoenix's interim consolidated financial statements are prepared in accordance with Canadian GAAP.

Period	Revenues $	Loss from Continued Operations and Net Loss $	Basic and Fully Diluted Loss per Share from Continued Operations and Net Loss $
2nd Quarter 2009	Nil	(52,743)	(0.01)
1st Quarter 2009	Nil	(55,955)	(0.01)
4th Quarter 2008	Nil	(37,052)	(0.01)
3rd Quarter 2008	Nil	(161,691)	(0.07)
2nd Quarter 2008	Nil	(56,640)	(0.03)
1st Quarter 2008	Nil	(29,045)	(0.01)
4th Quarter 2007	Nil	(31,785)	(0.01)
3rd Quarter 2007	Nil	(14,994)	(0.01)

The loss for the second quarter of 2009 decreased as a result of decreased fees related to the Company's filing requirements.

The loss for the third quarter of 2008 increased as a result of increased stock compensation costs due to increased options vesting.

The loss for the fourth quarter of 2008 decreased as a result of decreased exploration activity.

Liquidity and Capital Resources

Since incorporation, the Company's capital resources have been limited. The Company has had to rely upon the sale of equity securities for the cash required for capital acquisitions, exploration and development, and administration.

The Company does not have any commitments for material capital expenditures and none are presently contemplated other than as disclosed above normal operating requirements. The Company may require funds in order to fund exploration programs on the Big Showing Property, the Waverly Tangier Property and the River Jordan Property and as a result, the Company will have to continue to rely on equity and debt financing in the future. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company.

On June 30, 2009, the Company had 6,830,520 common shares outstanding. As at June 30, 2009, the Company's net working capital was $162,814 compared to a net working capital of $250,287 as at December 31, 2008. The cash balance at June 30, 2009 was $344,031 compared to $391,465 at December 31, 2008. As at June 30, 2009, current liabilities were $185,421, compared to $160,246 as at December 31, 2008.

On August 20, 2009, the Company had 6,830,520 common shares and 680,000 options outstanding. The average exercise price of the share purchase options are $0.25.

Financing was completed from 2004 to 2007 through share subscriptions. In 2007 $482,480 was raised and in 2006 $662,650 was raised for subscriptions of 2,650,600 common shares. In July 2007 the Company issued 4,580,520 special warrants and cancelled the common share subscription agreements. On November 11, 2008, 4,580,520 common shares of the Company were issued on exercise of the 4,580,520 special warrants at $0.25 per warrant

Off-Balance Sheet Arrangements

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

Related Party Transactions

During the three months ended June 30, 2009, the Company incurred management fees for the President and director of the Company of $21,000 (2008 - $21,000). The Company also incurred management fees for the Chief Financial Officer of $7,500 (2008 - $7,500). The amounts were measured at the exchange amount, which is the amount agreed upon by the transacting parties and are on terms and conditions similar to non-related entities.

Commitments

a) The Company is committed to a management services agreement with the President and a director of the Company. The agreement requires payments of $84,000 per year commencing April 1, 2008. This contract is payable monthly and may be terminated by both parties by giving one month's notice.

b) The Company is committed to a management services agreement with the Chief Financial Officer of the Company. The agreement requires payments of $30,000 per year commencing October 1,

2007. This contract is payable monthly and may be terminated by both parties by giving one month's notice.

c) The Company is obligated to make certain payments and issue shares as described in Note 5 of the unaudited financial statements in connection with acquisition of its mineral properties.

Proposed Transactions

The Company is continually reviewing potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value. There are no transactions being contemplated by management or the board at this time that would affect the financial condition, results of operations and cash flows of any asset of the Company.

Critical Accounting Policies and Estimates

The details of Silver Phoenix's accounting policies are presented in Note 2 of the annual financial statements. These policies are considered by management to be essential to understanding the processes and reasoning that go into the preparation of the Company's financial statements and the uncertainties that could have a bearing on its financial results.

Changes in Accounting Policies

<u>Credit risk and fair value of financial assets and financial liabilities</u>

In January 2009, the CICA approved EIC-173 "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities." This guidance clarified that 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. The Company has evaluated the new section and determined that adoption of these new requirements has no impact on the Company's financial statements.

<u>Goodwill and Intangible Assets - Section 3064</u>

In February 2008, the AcSB issued CICA Handbook Section 3064, "Goodwill and Intangible Assets", which replaces Section 3062, "Goodwill and Intangible Assets", and Section 3450, "Research and Development Costs". Section 3064 establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. This new standard is effective for the Company's interim and annual financial statements commencing January 1, 2009. The Company has determined that the adoption of this standard does not have a material impact on its financial statements.

<u>Mining Exploration Costs</u>

On March 27, 2009, the CICA approved EIC-174 "Mining Exploration Costs." This guidance clarified that an entity that has initially capitalized exploration costs has an obligation in the current and subsequent accounting periods to test such costs for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. The Company has evaluated the new section and determined that adoption of this new requirement has no impact on the Company's financial statements.

New accounting pronouncements not yet adopted

In January 2009, the Accounting Standards Board ("AcSB") issued CICA Handbook Section 1582, "Business Combinations", which replaces Section 1581, "Business Combinations". The AcSB also issued Section 1601, "Consolidated Financial Statements", and Section 1602, "Non-Controlling Interests", which replace Section 1600, "Consolidated Financial Statements". These new sections are based on the International Accounting Standards Board's ("IASB") International Financial Reporting Standard 3, "Business Combinations". These new standards replace the existing guidance on business combinations and consolidated financial statements. These new standards require that most assets acquired and liabilities assumed, including contingent liabilities, to be measured at fair value and all acquisition costs to be expensed. These new standards also require non-controlling interests to be recognized as a separate component of equity and net earnings to be calculated without a deduction for non-controlling interests. The objective of these new standards is to harmonize Canadian accounting for business combinations with the international and U.S. accounting standards. The new standards are to be applied prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011, with earlier application permitted. Assets and liabilities that arose from business combinations whose acquisition dates preceded the application of the new standards will not be adjusted upon application of these new standards. The Non-Controlling Interests standard should be applied retrospectively except for certain items.

In February 2008, the AcSB adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies will converge with International Financial Reporting Standards ("IFRS"). AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canadian GAAP. This date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. In July 2008 AcSB announced that early adoption will be allowed in 2009 subject to seeking exemptive relief. The Company continues to monitor and assess the impact of convergence of Canadian GAAP and IFRS.

Financial Instruments and Other Instruments

As at June 30, 2009, the Company's financial instruments consist of cash, accounts payable, accrued liabilities and long-term investments. The fair values of cash, accounts payable and accrued liabilities approximate their carrying values because of their current nature.

The Company classifies its cash as held-for-trading, accounts payable as other financial liabilities and long-term investments as available-for-sale.

Available-for-sale financial assets are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due (Note 1 in the audited financial statements). The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company ensures its holding of cash is sufficient to meet its short-term exploration and administrative expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits.

Foreign Exchange Risk

The Company does not have significant foreign exchange risk as all of its transactions are in Canadian dollars.

Interest Rate Risk

The Company manages its interest rate risk by obtaining the best commercial deposit interest rates available in the market by the major Canadian financial institutions.

Commodity Price risk

The Company's ability to raise capital to fund exploration activities is subject to price risk from fluctuations in the market price of gold and silver, which in turn is affected by numerous factors including central bank policies, producer hedging activities, global demand and supply and global political and economic conditions. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Approval

The Audit Committee of the Company has approved the disclosure contained in this MD&A.

Additional Information

Additional information relating to Silver Phoenix Resources is on SEDAR at www.sedar.com