Golden Aria Corp.
Form 10-K
November 26, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-KSB

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended **August 31, 2008**

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from [ ] to [ ]

Commission file number **333-130934**

GOLDEN ARIA CORP.
(Name of small business issuer in its charter)

Nevada	**20-1970188**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

#604 700 West Pender Street	
Vancouver, British Columbia	**V6C 1G8**
(Address of principal executive offices)	(Zip Code)

Issuer's telephone number **604-602-1633**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Nil	**Nil**

Securities registered pursuant to Section 12(g) of the Act:

Common Shares, par value $0.001
(Title of class)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been

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subject to such filing requirements for the past 90 days.
Yes [X] No [ ]

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B is not contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. [ ]

State issuer's revenues for its most recent fiscal year. $194,465

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12-b-2 of the *Exchange Act*).
Yes [ ] No [X]

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was sold, or the average bid and asked prices of such common equity, as of a specified date within 60 days. (See definition of affiliate in Rule 12b-2 of the Exchange Act.)

Note: If determining whether a person is an affiliate will involve an unreasonable effort and expense, the issuer may calculate the aggregate market value of the common equity held by non-affiliates on the basis of reasonable assumptions, if the assumptions are stated.

14,022,020 common shares @ $0.10(1) = $1,402,202
[1] Closing price on October 9, 2008.

(ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS)

Check whether the issuer has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. Yes [ ] No [ ]

(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

State the number of shares outstanding of each of the issuer's classes of equity stock, as of the latest practicable date.

29,305,480 common shares issued and outstanding as of October 9, 2008

DOCUMENTS INCORPORATED BY REFERENCE

If the following documents are incorporated by reference, briefly describe them and identify the part of the Form 10-KSB (e.g., Part I, Part II, etc.) into which the document is incorporated: (1) any annual report to security holders; (2) any proxy or information statement; and (3) any prospectus filed pursuant to Rule 424(b) or (c) of the Securities Act of 1933 ("Securities Act"). The listed documents should be clearly described for identification purposes (e.g., annual report to security holders for fiscal year ended December 24, 1990).

Transitional Small Business Disclosure Format (Check one): Yes [ ] No [X].

PART I

Item 1. Description of Business.

This annual report contains forward-looking statements as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled "Risk Factors", that may cause our company's or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are stated in United States Dollars (US$) and are prepared in accordance with United States Generally Accepted Accounting Principles.

In this annual report, unless otherwise specified, all dollar amounts are expressed in United States dollars and all references to "common shares" refer to the common shares in our capital stock.

As used in this annual report, the terms "we", "us", "our", and "Golden Aria" mean Golden Aria Corp., unless otherwise indicated.

Corporate Overview

The address of our principal executive office is Suite 604, 700 West Pender Street, Vancouver, British Columbia V6C 1G8. Our telephone number is (604) 602-1633. We have another office located in Kelowna, which is rented from CAB Financial Services Ltd. on a month-to-month basis and our monthly rental is $500 plus GST, for which we share 1,500 square feet of office space, which includes two executive offices. Our current locations provide adequate office space for our purposes at this stage of our development.

Our common stock is quoted on the OTC Bulletin Board under the symbol "GARA".

Due to the implementation of British Columbia Instrument 51-509 on September 30, 2008 by the British Columbia Securities Commission, we have been deemed to be a British Columbia based reporting issuer. As such, we are required to file certain information and documents at www.sedar.com.

Corporate History

We were incorporated in the State of Nevada on November 24, 2004. Since inception, we were a company primarily engaged in the acquisition and exploration of mineral properties. On April 6, 2005 we entered into an Exploration Agreement with Options for Joint Venture with Miranda U.S.A., Inc. We had the option of acquiring an undivided 60% interest in Miranda s lease in sixty-four mineral claims situated in Eureka County, Nevada. During the fiscal year ended August 31, 2007, we abandoned our option to acquire the 60% interest in the Eureka County mineral lease claims.

As management of our company investigated opportunities and challenges in the business of being a mineral property exploration company, management realized that the business did not present the best opportunity for our

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company to realize value for our shareholders. Accordingly, we abandoned our previous business plan and focused on the exploration and development of natural gas and oil properties.

Our Current Business

We are an exploration stage company engaged in the exploration and production of oil and natural gas properties.

On April 16, 2007, we acquired a 25% (net 15%) before payout (BPO) (12.5% (net 7.5%) after payout (APO)) interest in Queensdale, Saskatchewan Project from 0743608 B.C. Ltd. (Assignor), a company controlled by a Director/CEO of our company, for a total cost of CAD$250,000 and 500,000 shares of our common stock.

On November 30, 2007, we completed the acquisition of all the issued and outstanding common stock of Target Energy pursuant to a share exchange agreement dated October 15, 2007 among our company, as purchaser, and all of the shareholders of Target Energy, as vendors. In exchange for all of the issued and outstanding shares of Target Energy, we issued to the shareholders of Target Energy an aggregate of 13,810,000 shares of our common stock.

During the fiscal year 2008, we acquired a passive minority interest in Pro Eco Energy USA Ltd., a private corporation focused on the installation and integration of alternative energy mainly solar thermal systems in Western Canada.

On May 14, 2008, we acquired one land parcel of 160 acres in the Glen Park area of central Alberta, Canada. We subsequently entered into a 50/50 Joint Venture with Vanguard Exploration to explore and develop the joint lands on Alberta Petroleum and Natural Gas Lease No. 0408050364. The joint venture owns the Petroleum and Natural Gas rights below the base of the Mannville GRP to basement.

On June 11, 2008, we acquired two land parcels of 160 acres each in the Glen Park area of central Alberta, Canada. These 320 acres are believed to be prospective for reef development and the potential accumulation of oil deposits. We own the Petroleum and Natural Gas rights below the base of the Mannville GRP to basement as to 100%.

Employees

We primarily used the services of sub-contractors and consultants for manual labour exploration work and drilling on our properties. Our only technical employee is Mr. McAllister, our president and a director.

The Company had entered into a consulting agreement with Dr. Gerald G. Carlson s company, KGE Management Ltd. from March 1, 2005 to November 30, 2007. During the term of this agreement, Dr. Carlson, provided geological and corporate administration consulting services to our company, such duties and responsibilities included the provision of geological consulting services, strategic corporate and financial planning, management of the overall business operations of our company, and the supervision of office staff and exploration and mining consultants. Dr. Carlson, through KGE Management Ltd., was reimbursed at the rate of $2,000 per month. This agreement was terminated on November 30, 2007, but Dr. Carlson does remain on the Board as a Director.

We entered into a consulting agreement with Mr. Robert McAllister on December 1, 2007. During the term of this agreement, Mr. McAllister is to provide corporate administration and oil & gas exploration and production consulting services, such duties and responsibilities to include provision of oil and gas industry consulting services, strategic corporate and financial planning, management of the overall business operations of the Company, and supervising office staff and exploration and oil & gas consultants. Mr. McAllister is reimbursed at the rate of $2,000 per month. We may terminate this agreement without prior notice based on a number of conditions. Mr. McAllister may terminate the agreement at any time by giving 30 days written notice of his intention to do so.

On March 2, 2008, the Company entered into a controller agreement with CAB Financial Services, a corporation organized under the laws of the Province of British Columbia. CAB Financial Services is a consulting company

controlled by the chairman of the board and chief executive officer of the Company. This agreement was renewed for another six month term on September 1, 2008.

Pursuant to the controller agreement, CAB Financial Services will provide corporate accounting and controller services to the Company in consideration for the payment of CAD$3,675 (including $175 GST) per month.

Competition

The resource and alternative energy industries are competitive. We compete with numerous companies, including many major resource companies, which have substantially greater technical, financial and operational resources and staff. Accordingly, there is a high degree of competition for commercially viable properties and access to funds.

Compliance with Government Regulation

We are committed to complying with and are, to our knowledge, in compliance with, all governmental and environmental regulations applicable to our company and our properties. Permits from a variety of regulatory authorities are required for many aspects of mine operation and reclamation. We do not currently own or operate any mines nor operate any wells and are not required to comply with the requirements of these regulatory authorities. We cannot predict the extent to which these requirements will affect our company or our properties if we identify the existence of minerals in commercially exploitable quantities. In addition, future legislation and regulation could cause additional expense, capital expenditure, restrictions and delays in the exploration of our properties.

We are prepared to engage professionals, if necessary, to ensure regulatory compliance but in the near term we expect that our activities will require minimal regulatory oversight. If we expand the scope of our activities in the future it is reasonable to expect that our compliance costs may increase accordingly.

Intellectual Property

We do not own, either legally or beneficially, any patent or trademark.

RISK FACTORS

Our common shares are considered speculative. Prospective investors should consider carefully the risk factors set out below.

Risks Associated With Our Business

We have a limited operating history and as a result there is no assurance we can operate on a profitable basis.

We have a limited operating history and must be considered in the exploration stage. Our company's operations will be subject to all the risks inherent in the establishment of an exploration stage enterprise and the uncertainties arising from the absence of a significant operating history. Potential investors should be aware of the difficulties normally encountered by resource exploration companies and the high rate of failure of such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration of the properties that we plan to undertake. These potential problems include, but are not limited to, unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. The expenditures to be made by us in the exploration of our properties may not result in the discovery of reserves. Problems such as unusual or unexpected formations of rock or land and other conditions are involved in resource exploration and often result in unsuccessful exploration efforts. If the results of our exploration do not reveal viable commercial reserves, we may decide to abandon our claims and acquire new claims for new exploration or cease operations. The acquisition of additional claims will be dependent upon us possessing capital

resources at the time in order to purchase such claims. If no funding is available, we may be forced to abandon our operations. There can be no assurance that we will be able to operate on a profitable basis.

If we do not obtain additional financing, our business will fail and our investors could lose their investment.

We had cash in the amount of $124,394 and working capital of $6,744 as of our year ended August 31, 2008. We currently do not generate significant revenues from our operations. Any direct acquisition of a claim under lease or option is subject to our ability to obtain the financing necessary for us to fund and carry out exploration programs on potential properties. The requirements are substantial. Obtaining additional financing would be subject to a number of factors, including market prices for resources, investor acceptance of our properties and investor sentiment. These factors may negatively affect the timing, amount, terms or conditions of any additional financing available to us. The most likely source of future funds presently available to us is through the sale of equity capital and loans. Any sale of share capital will result in dilution to existing shareholders.

Because there is no assurance that we will generate material revenues, we face a high risk of business failure.

As of the date of this annual report, we have earned revenues of $276,671 since the inception. We currently own a 7.5% net working interest in a oil well at Queensdale West in Saskatchewan, Canada. Through our subsidiary, Target, we own a 3.75% net working interest in Wordsworth, Saskatchewan. The Wordsworth property has one producing oil well which was drilled in May, 2006. The company also owns a 8% (BPO) 4% net interest in an oil well at Queensdale West in Saskatchewan, Canada. We were incorporated in November 2004 and to date have been involved in limited exploration activities. Before we are able to generate more significant revenue, we will incur substantial operating and exploration expenditures. We therefore expect to incur significant losses into the foreseeable future. We have limited operating history upon which an evaluation of our future success or failure can be made. Our net loss from inception to August 31, 2008 is $1,347,706. We recognize that if we are unable to generate significant revenues from our activities, we will not be able to earn profits or continue operations. We cannot guarantee that we will be successful in raising capital to fund these operating losses or generate revenues in the future. We can provide investors with no assurance that we will generate any operating revenues or ever achieve profitable operations. If we are unsuccessful in addressing these risks, our business will most likely fail and our investors could lose their investment.

The oil and natural gas industry is highly competitive and there is no assurance that we will be successful in acquiring leases.

The oil and natural gas industry is intensely competitive. Although we do not compete with other oil and gas companies for the sale of any oil and gas that we may produce, as there is sufficient demand in the world market for these products, we compete with numerous individuals and companies, including many major oil and natural gas companies which have substantially greater technical, financial and operational resources and staff. Accordingly, there is a high degree of competition for desirable oil and natural gas leases, suitable properties for drilling operations and necessary drilling equipment, as well as for access to funds. We cannot predict if the necessary funds can be raised or that any projected work will be completed.

There can be no assurance that we will discover oil or natural gas in any commercial quantity on our properties.

Exploration for economic reserves of oil and natural gas is subject to a number of risks. There is competition for the acquisition of available oil and natural gas properties. Few properties that are explored are ultimately developed into producing oil and/or natural gas wells. If we cannot discover oil or natural gas in any commercial quantity thereon, our business will fail.

Even if we acquire an oil and natural gas exploration property and establish that it contains oil or natural gas in commercially exploitable quantities, the potential profitability of oil and natural gas ventures depends upon factors beyond the control of our company.

The potential profitability of oil and natural gas properties is dependent upon many factors beyond our control. For instance, world prices and markets for oil and natural gas are unpredictable, highly volatile, potentially subject to

governmental fixing, pegging, controls or any combination of these and other factors, and respond to changes in domestic, international, political, social and economic environments. Additionally, due to worldwide economic

uncertainty, the availability and cost of funds for production and other expenses have become increasingly difficult, if not impossible, to project. In addition, adverse weather conditions can hinder drilling operations. These changes and events may materially affect our future financial performance. These factors cannot be accurately predicted and the combination of these factors may result in our company not receiving an adequate return on invested capital.

In addition, a productive well may become uneconomic in the event water or other deleterious substances are encountered which impair or prevent the production of oil and/or natural gas from the well. Production from any well may be unmarketable if it is impregnated with water or other deleterious substances. Also, the marketability of oil and natural gas which may be acquired or discovered will be affected by numerous related factors, including the proximity and capacity of oil and natural gas pipelines and processing equipment, market fluctuations of prices, taxes, royalties, land tenure, allowable production and environmental protection, all of which could result in greater expenses than revenue generated by the well.

The marketability of natural resources will be affected by numerous factors beyond our control which may result in us not receiving an adequate return on invested capital to be profitable or viable.

The marketability of natural resources which may be acquired or discovered by us will be affected by numerous factors beyond our control. These factors include market fluctuations in oil and natural gas pricing and demand, the proximity and capacity of natural resource markets and processing equipment, governmental regulations, land tenure, land use, regulation concerning the importing and exporting of oil and natural gas and environmental protection regulations. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in us not receiving an adequate return on invested capital to be profitable or viable.

Oil and natural gas operations are subject to comprehensive regulation which may cause substantial delays or require capital outlays in excess of those anticipated causing an adverse effect on our company.

Oil and natural gas operations are subject to federal, state, and local laws relating to the protection of the environment, including laws regulating removal of natural resources from the ground and the discharge of materials into the environment. Oil and natural gas operations are also subject to federal, state, and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of drilling methods and equipment. Various permits from government bodies are required for drilling operations to be conducted; no assurance can be given that standards imposed by federal, provincial, or local authorities may be changed and any such changes may have material adverse effects on our activities. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing an adverse effect on us. Additionally, we may be subject to liability for pollution or other environmental damages. To date, we have not been required to spend any material amount on compliance with environmental regulations. However, we may be required to do so in the future and this may affect our ability to expand or maintain our operations.

Exploration and production activities are subject to certain environmental regulations which may prevent or delay the commencement or continuation of our operations.

In general, our exploration and production activities are subject to certain federal, state and local laws and regulations relating to environmental quality and pollution control. Such laws and regulations increase the costs of these activities and may prevent or delay the commencement or continuation of a given operation. Specifically, we may be subject to legislation regarding emissions into the environment, water discharges and storage and disposition of hazardous wastes. In addition, legislation has been enacted which requires well and facility sites to be abandoned and reclaimed to the satisfaction of state authorities. However, such laws and regulations are frequently changed and we are unable to predict the ultimate cost of compliance. Generally, environmental requirements do not appear to affect us any differently or to any greater or lesser extent than other companies in the industry.

Exploratory drilling involves many risks and we may become liable for pollution or other liabilities which may have an adverse effect on our financial position.

Drilling operations generally involve a high degree of risk. Hazards such as unusual or unexpected geological formations, power outages, labor disruptions, blow-outs, sour natural gas leakage, fire, inability to obtain suitable or adequate machinery, equipment or labor, and other risks are involved. We may become subject to liability for pollution or hazards against which it cannot adequately insure or which it may elect not to insure. Incurring any such liability may have a material adverse effect on our financial position and operations.

The alternative energy or clean energy industry is competitive and filled with difficult to ascertain risks as it is a developing business sector.

The business of designing, installing and maintaining alternative energy systems is a relatively new business sector that contains a number of risks such as the risk of existing government tax subsidies or other government support being revoked, uneconomic clean energy generation costs, business competition from new competitors attracted to the sector, lack of control over costs of materials, and of normal business operations risks such as escalating labour costs etc. Any of these and other undefined risks could severely impact our ability to enter this business sector or to operate profitably within it.

Any change to government regulation/administrative practices may have a negative impact on our ability to operate and our profitability.

The business of oil and natural gas exploration and development is subject to substantial regulation under various countries laws relating to the exploration for, and the development, upgrading, marketing, pricing, taxation, and transportation of oil and natural gas and related products and other matters. Amendments to current laws and regulations governing operations and activities of oil and natural gas exploration and development operations could have a material adverse impact on our business. In addition, there can be no assurance that income tax laws, royalty regulations and government incentive programs related to the properties subject to our farm-out agreements and the oil and natural gas industry generally will not be changed in a manner which may adversely affect our progress and cause delays, inability to explore and develop or abandonment of these interests.

Permits, leases, licenses, and approvals are required from a variety of regulatory authorities at various stages of exploration and development. There can be no assurance that the various government permits, leases, licenses and approvals sought will be granted in respect of our activities or, if granted, will not be cancelled or will be renewed upon expiry. There is no assurance that such permits, leases, licenses, and approvals will not contain terms and provisions which may adversely affect our exploration and development activities.

If we are unable to hire and retain key personnel, we may not be able to implement our business plan.

Our success is largely dependent on our ability to hire highly qualified personnel. This is particularly true in highly technical businesses such as resource exploration. These individuals are in high demand and we may not be able to attract the personnel we need. In addition, we may not be able to afford the high salaries and fees demanded by qualified personnel, or may lose such employees after they are hired. Failure to hire key personnel when needed, or on acceptable terms, would have a significant negative effect on our business.

Our independent certified public accounting firm, in the notes to the audited consolidated financial statements for the year ended August 31, 2008 states that there is a substantial doubt that we will be able to continue as a going concern.

Our independent certified public accounting firm, Chang Lee LLP, state in the notes to the audited consolidated financial statements for the year ended August 31, 2008 that we have experienced significant losses since inception. Failure to arrange adequate financing on acceptable terms and to achieve profitability would have an adverse effect on our financial position, results of operations, cash flows and prospects. Accordingly, there is substantial doubt that we will be able to continue as a going concern.

Risks Associated with Our Common Stock

Trading on the OTC Bulletin Board may be volatile and sporadic, which could depress the market price of our common stock and make it difficult for our stockholders to resell their shares.

Our common stock is quoted on the OTC Bulletin Board service of the Financial Industry Regulatory Authority. Trading in stock quoted on the OTC Bulletin Board is often thin and characterized by wide fluctuations in trading prices, due to many factors that may have little to do with our operations or business prospects. This volatility could depress the market price of our common stock for reasons unrelated to operating performance. Moreover, the OTC Bulletin Board is not a stock exchange, and trading of securities on the OTC Bulletin Board is often more sporadic than the trading of securities listed on a quotation system like Nasdaq or a stock exchange like Amex. Accordingly, shareholders may have difficulty reselling any of the shares.

Our stock is a penny stock. Trading of our stock may be restricted by the SEC s penny stock regulations and the FINRA s sales practice requirements, which may limit a stockholder s ability to buy and sell our stock.

Our stock is a penny stock. The Securities and Exchange Commission has adopted Rule 15g-9 which generally defines penny stock to be any equity security that has a market price (as defined) less than $5.00 per share or an exercise price of less than $5.00 per share, subject to certain exceptions. Our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and accredited investors . The term accredited investor refers generally to institutions with assets in excess of $5,000,000 or individuals with a net worth in excess of $1,000,000 or annual income exceeding $200,000 or $300,000 jointly with their spouse. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the SEC which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer s account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer s confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser s written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the stock that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in and limit the marketability of our common stock.

In addition to the penny stock rules promulgated by the Securities and Exchange Commission, FINRA has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer s financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low priced securities will not be suitable for at least some customers. FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock.

Other Risks

Because all of our officers and directors are located in non-U.S. jurisdictions, you may have no effective recourse against them for misconduct and you may not be able to enforce judgement and civil liabilities against our officers, directors, experts and agents.

All of our directors and officers are nationals and/or residents of countries other than the United States and all or a substantial portion of their assets are located outside the United States. As a result, it may be difficult for investors to

enforce within the United States any judgments obtained against our officers or directors, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state thereof.

Trends, Risks and Uncertainties

We have sought to identify what we believe to be the most significant risks to our business, but we cannot predict whether, or to what extent, any of such risks may be realized nor can we guarantee that we have identified all possible risks that might arise. Investors should carefully consider all of such risk factors before making an investment decision with respect to our common stock.

Item 2. Description of Property.

Executive Offices

The address of our principal executive office is Suite 604, 700 West Pender Street, Vancouver, British Columbia V6C 1G8, for which we share 250 square feet of office space, which includes one executive office. Our telephone number is (604) 602-1633. We have another office located in Kelowna, which is rented from CAB Financial Services Ltd. on a month-to-month basis and our monthly rental is $500 plus GST, for which we share 1,500 square feet of office space, which includes two executive offices. Our current locations provide adequate office space for our purposes at this stage of our development.

Resource Properties

Coal Canyon, Cortez Area, Eureka County, Nevada

On April 6, 2005, we acquired an option to earn a 60% interest in mineral claims in Eureka County, Nevada, containing the mineral claims Coal #1 to Coal #64 (BLM-NMC number 847957 to 848020) located in the Coal Canyon, Cortez Area, Eureka County, Nevada, by way of an option agreement with Miranda U.S.A. Inc. The mineral lease claims are owned by Miranda U.S.A. Inc. pursuant to a 20-year mineral lease dated May 27, 2004. At the present time there are no proven reserves.

On March 23, 2007, we terminated the option agreement with Miranda U.S.A. Inc.

Queensdale, Saskatchewan (1A9-25)

On April 16, 2007, we acquired a 25% (net 15%) before payout (BPO) (12.5% (net 7.5%) after payout (APO)) interest in Queensdale, Saskatchewan Project from 0743608 B.C. Ltd. (Assignor), a company controlled by a Director/CEO of our company, for a total cost of CAD$250,000 and 500,000 shares of our common stock. The Participation Agreement consists specifically of all (100%) of the Assignor s interest in the Queensdale 1A9-25/4A2-25-6-2 W2M well; none (0%) of the Assignor s interest in the Queensdale 4A9-25 / 2D15-25-6-2 W2M well; and one-half (50%) interest in the Farmout Land and the Option Land.

On April 18, 2007, 500,000 shares were issued at market value $0.55 per share giving a total of $275,000.

We are required to pay to the Assignor on a monthly basis and within 5 business days of receiving the payment from net generated oil and gas revenue, a minimum of 80% of the payments received from net generated oil and gas revenue attributable to the Queensdale 1A9-25 / 4A2-25-6-2 W2M well, until such time as the full CAD$250,000 has been paid to the Assignor.

The total cost capitalized cost incurred for the oil and gas property was $487,097 which was attributed to the acquisition cost of the oil and gas property. We applied the full cost method to account for this property.

West Queensdale, Saskatchewan (HZ 4A9-25/3A15-25-6-2 W2)

In connection with the acquisition of Target, we acquired another producing well at Queensdale, Queensdale West HZ 4A9-25/3A15-25-6-2 W2. The well was drilled in February 2007 and was placed in production on May 15, 2007. We have an 8% Gross Interest before payout (BPO) and 4% net interest after payout in this well.

The land in which hawse have an interest, is shown in yellow below.

Wordsworth, Saskatchewan

Through the Company s subsidiary, Target, the Company owns a well working interest in Wordsworth, Saskatchewan, The Wordsworth property has one producing oil well which was drilled in May, 2006, and in which the Company has a 3.75% net interest. This is a horizontal well called the Wordsworth East HZ 2A2-23/3A11-14-7-3 W2, and was considered a new pool discovery. A second well on this property, the Wordsworth E. HZ 3B9-23/3A11-23-7-3 W2 located on the north side of the Wordsworth prospect area, was deemed not commercially viable as a producing oil well.

Coteau Lake, Saskatchewan

In connection with the acquisition of Target, we acquired certain working interest in Coteau Lake, Saskatchewan.

Coteau Lake is an exploration property and we have no producing oil or gas wells on this land at this time. The Coteau Lake exploration project covers 1,280 acres of land. Our gross and net interest in this project is 50%. There has been historic oil production on the Coteau Lake project lands.

On November 7, 2007, our subsidiary Target entered into a Letter of Intent (the LOI) with Primrose Drilling Ventures Ltd. (Primrose), a body corporate, having an office in the city of Calgary, in the Province of Alberta. Pursuant to the LOI, our subsidiary Target is the interest title holder of Saskatchewan Crown Land parcels 124, 125 and 126.

Primrose elected to proceed with a 50/50 joint venture with Target by reimbursing Target for 50% of its land cost on parcels 124, 125 and 126 for CDN$26,590 which is payable on signing within 15 days of the LOI. Primrose would become operator of the project upon its acceptance of such appointment and agreement to assume the duties, obligations and rights of the operator. A formal Participation Agreement (Agreement) which included the

provisions of LOI have been entered between Target and Primrose. Included in the Participation Agreement would be the Area of Mutual Interest (AMI) which would govern future land acquisitions and timeline set out in the LOI. As at August 31, 2008, the Company was still in the process defining the first well exploration location.

Glen Park, Alberta

On May 14, 2008, we were successful in acquiring one land parcel of 160 acres in the Glen Park area of central Alberta, Canada. We subsequently created a 50/50 Joint Venture with Vanguard Exploration to explore and develop the joint lands on Alberta Petroleum and Natural Gas Lease No. 0408050364. The joint venture owns the Petroleum and Natural Gas rights below the base of the Mannville GRP to basement.

On June 11, 2008, we were successful in acquiring two land parcels of 160 acres each in the Glen Park area of central Alberta, Canada. These 320 acres are believed to be prospective for reef development and the potential accumulation of oil deposits. We own the Petroleum and Natural Gas rights below the base of the Mannville GRP to basement 100%.

Productive wells in the area have had production rates in excess of 200 bop/d and in some cases with little associated water. We currently have a 100% interest in these two prospects. We will continue to evaluate other opportunities in this and other areas.

Item 3. Legal Proceedings.

We know of no material, active or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our interest.

Item 4. Submissions of Matters to a Vote of Security Holders.

None.

PART II

Item 5. Market for Common Equity and Related Stockholder Matters AND Small Business Issuer Purchases of Equity Securities.

The principal market on which our common stock is quoted is the OTC Bulletin Board under the Symbol "GARA".

The following table reflects the high and low bid information for our common stock obtained from Yahoo! Finance and reflects inter-dealer prices, without retail mark-up, markdown or commission, and may not necessarily represent actual transactions.

The high and low bid prices of our common stock for the periods indicated below are as follows:

Quarter Ended[1]	High	Low
August 2008	$0.20	$0.20
May 2008	$0.25	$0.25
February 2008	$0.20	$0.20
November 2007	$0.40	$0.40

August 2007	$0.35	$0.20

May 2007	$1.25	$0.55
February 2007	$0.55	$0.55
November 2006	$1.01	$0.25
August 2006	$0.25	$0.20
May 2006	N/A	N/A
Quarter Ended(1)	**High**	**Low**
February 2006	N/A	N/A
November 2005	N/A	N/A
August 2005	N/A	N/A

(1) The quotations above reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions.

On October 9, 2008, the last closing price for one share of our common stock as reported by the OTC Bulletin Board was $0.10. This closing price reflects an inter-dealer price, without retail mark-up, mark-down or commission, and may not represent an actual transaction.

As of October 9, 2008, there were 101 holders of record of our common stock. As of such date, 29,305,480 common shares were issued and outstanding.

Our common shares are issued in registered form. Nevada Agency and Trust Company, 50 West Liberty Street, Suite 880, Reno, Nevada 89501 (Telephone: 775.322.0626; Facsimile: 775.322.5623) is the registrar and transfer agent for our common shares.

Dividend Policy

We have not paid any cash dividends on our common stock and have no present intention of paying any dividends on the shares of our common stock. Our current policy is to retain earnings, if any, for use in our operations and in the development of our business. Our future dividend policy will be determined from time to time by our board of directors.

Recent Sales of Unregistered Securities

On November 30, 2007, we issued 13,810,000 common shares at $0.21per share for the acquisition of Target Energy, Corp.

On March 6, 2007, we issued 185,480 units at $0.25 per unit to directors of our company. Each unit consisted of one common share and one common share purchase warrant with an exercise price of $0.40 per share expiring on December 1, 2008.

On April 18, 2007, we issued 500,000 common shares at a market value of $0.55 to 0743608 B.C. Ltd. in connection with a participation agreement on the Queensdale Saskatchewan project.

On April 19, 2007, we issued 200,000 units at $0.25 per unit to a non-arm s length party. Each unit consisted of one common share and one common share purchase warrant with an exercise price of $0.25 per share expiring on

December 1, 2008.

On August 31, 2007, we issued 1,200,000 units, of which 200,000 units were to a non-arm s length party, at $0.25 per unit. Each unit consisted of one common share and one common share purchase warrant with an exercise price of $0.40 per share expiring on August 31, 2009.

Equity Compensation Plan Information

We have no long-term incentive plans other than the stock option plan described below:

Stock Option Plan

On December 14, 2007, our board of directors approved our 2008 Stock Option Plan. Under the 2008 Stock Option Plan, options may be granted to our directors, officers, employees and consultants as determined by our board of directors. Pursuant to the Plan, we reserved for issuance 2,800,000 shares of our common stock.

On December 14, 2007, we granted 1,785,000 stock options to directors, officers, and consultants of our company exercisable at of $0.35 per share for a period of 5 years. The vesting dates of the options are as below:

Vesting Dates	Percentage of options granted
December 14, 2007	25%
December 14, 2008	25%
December 14, 2009	25%
December 14, 2010	25%

As at the date of the annual report, there was nil stock options exercised.

Equity Compensation Plan Information

Plan category	**Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)**	**Weighted-average exercise price of outstanding options, warrants and rights (b)**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)**
Equity compensation plans approved by security holders	Nil	Nil	Nil
Equity compensation plans not approved by security holders	1,785,000	$0.35	1,015,000
Total	**1,785,000**		**1,015,000**

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

We did not purchase any of our shares of common stock or other securities during our fiscal year ended August 31, 2008.

Item 6. Management s Discussion and Analysis or Plan of Operation.

Overview

You should read the following discussion of our financial condition and results of operations together with the audited financial statements and the notes to audited financial statements included elsewhere in this filing prepared in accordance with accounting principles generally accepted in the United States of America. This discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those anticipated in these forward-looking statements.

We are an exploration stage company engaged in the exploration and production of oil and natural gas properties.

During the fiscal year ended August 31, 2008, we acquired:

•

a passive minority interest in Pro Eco Energy USA Ltd. a private corporation focused on the installation and integration of alternative energy mainly solar thermal systems in Western Canada;

•

one land parcel of 160 acres in the Glen Park area of central Alberta, Canada; and

•

two land parcels of 160 acres each in the Glen Park area of central Alberta, Canada.

Purchase of Significant Equipment

We do not anticipate the purchase or sale of any plant or significant equipment during the next 12 months.

Personnel Plan

We do not anticipate any significant changes in the number of employees during the next 12 months.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Results of Operations for the years ended August 31, 2008 and 2007

For the year ended August 31, 2008, our revenues were $194,465 (August 31, 2007: $82,206). The increase in revenues was derived from the acquisition of a 15% (BPO) working interest in a natural gas well located in Saskatchewan, Canada and higher prices received from oil sales.

For the year ended August 31, 2008 we incurred costs and expenses in the amount of $568,192, compared to costs and expenses of $692,151 for the corresponding period in the prior year.

This decrease in costs and expenses is attributable to operating costs and administrative expenses we incurred in connection with the following:

•

Operating costs for the oil well for the year ended August 31, 2008 was $62,704 (August 31, 2007: $27,945). The depletion costs for the year ended August 31, 2008 was $141,596 (August 31, 2007: $76,092), while the write down in carrying value of oil and gas properties was $45,352 (August 31, 2007: $216,299). The write down was caused by the comparison of the future cash flows discounted at 10% and compared to the carrying value of the asset.

- Rent payment for year ended August 31, 2008, $11,052 (August 31, 2007: $17,750); the decrease was caused by the allocation of costs paid for accounting services and the use of premises used by the President of our company in 2007.

•

Consulting fees increased to $153,403 (August 31, 2007: $142,399). The increase was caused by a stock based compensation charge of $104,257 (August 31, 2007: $116,959) due to options and units being issued to directors of our company. Excluding this charge consulting fees were in line with the prior period.

•

Accounting and Audit fees increased to $51,497 (August 31, 2007: $50,456). The increase was caused by increases in fees charged by the external accountant for the year.

•

Exploration costs and option payment for August 31, 2008 was $Nil (August 31, 2007: $119,342) as we terminated our Option Agreement with Miranda U.S.A. Inc. in 2007.

Liquidity and Capital Resources

As of August 31, 2008, we had total current assets of $145,772 (August 31, 2007: $316,439) while our total current liabilities as of August 31, 2007 were $139,028 (August 31, 2007: $222,934). As a result, on August 31, 2008 we had a working capital surplus of $6,744 (August 31, 2007: working capital of $93,505). The decrease in working capital was caused by the purchase of the Green Park property in Alberta.

We relied on cash on hand generated from our oil and gas properties to fund our operations during the year ended August 31, 2008.

We generate revenue, however, we still anticipate the need to raise significant capital through the sale of equity securities on a private or public basis in order to sustain operations. It is uncertain whether we will be able to obtain the necessary capital.

We intend to fund operations and commitments over the next twelve months from our cash on hand, including our capital expenditures, working capital or other cash requirements. We believe cash from operating activities, and our existing cash resources may not be sufficient to meet our working capital requirements for the next 12 months. We will likely require additional funds to support our business plan. Management intends to raise additional working capital through debt and equity financing. There can be no assurance that additional financing will be available on acceptable terms, if at all. If adequate funds are not available, we may be unable to take advantage of future opportunities, respond to competitive pressures, and may have to curtail operations.

Revenue Recognition

We use the sales method of accounting for natural gas and oil revenues. Under this method, revenues are recognized upon the passage of title, net of royalties. Revenues from oil production are recorded using the sales method. When sales volumes exceed our company s entitled share, an overproduced imbalance occurs. To the extent the overproduced imbalance exceeds our company s share of the remaining estimated proved oil reserves for a given property, we record a liability. At August 31, 2008, we had no overproduced imbalances.

Long-lived Assets Impairment

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, in accordance with the Statement of Financial Accounting Standards No. 144 (SFAS

144), Accounting for the Impairment or Disposal of Long-Lived Assets. An impairment loss would be recognized when the carrying amount of an asset exceeds the estimated undiscounted future cash flows expected to result from the use of the asset and its eventual disposition. The amount of the impairment loss to be recorded is calculated by the excess of the asset s carrying value over its fair value. Fair value is generally determined using a discounted cash flow analysis.

Going Concern

Our annual financial statements have been prepared on a going concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of operations. The financial statements have been prepared assuming we will continue as a going concern. However, certain conditions exist which raise doubt about our ability

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to continue as a going concern. We have suffered recurring losses from operations and have accumulated losses of $1,347,706 from inception through August 31, 2008.

The continuation of our business is dependent upon obtaining further financing and achieving a break-even or profitable level of operations. The issuance of additional equity securities by us could result in a significant dilution in the equity interests of our current or future stockholders. Obtaining commercial loans, assuming those loans would be available, will increase our liabilities and future cash commitments.

There are no assurances that we will be able to either (1) achieve a level of revenues adequate to generate sufficient cash-flow from operations; or (2) obtain additional financing through either private placements, public offerings and/or bank financing necessary to support our working capital requirements. To the extent that funds generated from operations and any private placements, public offerings and/or bank financing are insufficient, we will have to raise additional working capital. No assurance can be given that additional financing will be available, or if available, will be on terms acceptable to us. If adequate working capital is not available we may not be able to continue our operations.

These conditions raise substantial doubt about our ability to continue as a going concern. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might be necessary should we be unable to continue as a going concern.

APPLICATION OF CRITICAL ACCOUNTING POLICIES

Our financial statements and accompanying notes are prepared in accordance with generally accepted accounting principles in the United States. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. These estimates and assumptions are affected by management s application of accounting policies. We believe that understanding the basis and nature of the estimates and assumptions involved with the following aspects of our financial statements is critical to an understanding of our financials.

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reported period. Actual results could differ from those estimates.

Loss Per Share

Loss per share is computed using the weighted average number of shares outstanding during the period. We have adopted SFAS No.128 Earnings Per Share . Diluted loss per share is equivalent to basic loss per share because there are no dilutive securities.

Foreign Currency Translations

Our operations are located in the Canada and we have offices in Vancouver and Kelowna of BC, Canada. We maintain our accounting records in U.S. Dollars, as follows:

At the transaction date, each asset, liability, revenue and expense that was acquired or incurred in a foreign currency is translated into U.S. dollars by the using of the exchange rate in effect at that date. At the period end, monetary assets and liabilities are translated at the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in operations.

Fair Value of Financial Instruments

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The respective carrying value of certain on-balance-sheet financial instruments approximated their fair value. These financial instruments include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and due to related parties. Fair values were assumed to approximate carry values for these financial instruments, since they are short term in nature and their carrying amounts approximate fair values or they are receivable or payable on demand.

Management is of the opinion that we are not exposed to significant interest or credit risks arising from these financial instruments. We are operated outside the United States of America and thus have significant exposure to foreign currency risk due to the fluctuation of the currency in which we operate and the U.S. dollars.

Income Taxes

We have adopted statement of Financial Accounting Standards No. 109 (SFAS 109), Accounting for Income Taxes, which requires us to recognize deferred tax liabilities and assets for the expected future tax consequences of events that have been recognized in our financial statements or tax returns using the liability method. Under this method, deferred tax liabilities and assets are determined based on the temporary differences between the financial statements and tax bases of assets and liabilities using enacted tax rates in effect in the year in which the differences are expected to reverse.

Long-Lived Assets Impairment

Long-term assets are reviewed for impairment when circumstances indicate the carrying value may not be recoverable in accordance with the guidance established in Statement of Financial Accounting Standards No. 144 (SFAS 144), Accounting for the Impairment or Disposal of Long-Lived Assets. For assets that are to be held and used, an impairment loss is recognized when the estimated undiscounted cash flows associated with the asset or group of assets is less than their carrying value. If impairment exists, an adjustment is made to write the asset down to its fair value, Fair values are determined based on discounted cash flows or internal and external appraisals, as applicable. Assets to be disposed of are carried at the lower of carrying value or estimated net realizable value.

Asset Retirement Obligations

We recognize a liability for future retirement obligations associated with our resource properties. The estimated fair value of the asset retirement obligation is based on the current cost escalated at an inflation rate and discounted at a credit adjusted rate. This liability is capitalized as part of the cost of the related asset and amortized over its productive life. The liability accretes until we settle the obligation. As of August 31, 2008, we had no asset retirement obligation.

Comprehensive Income

We have adopted Statement of Financial Accounting Standards No. 130 (SFAS 130), Reporting Comprehensive Income, which establishes standards for reporting and display of comprehensive income, its components and accumulated balances. We are disclosing this information on the Consolidated Statements of Stockholders   Equity. Comprehensive income comprises equity except those transactions resulting from investments by owners and distributions to owners.

Concentration of credit risk

We place our cash and cash equivalents with high credit quality financial institution. As of August 31, 2008, we had approximately $nil in a bank beyond insured limits (August 31, 2007: $201,000).

Other Recent Accounting Pronouncements

We do not expect that the adoption of other recent accounting pronouncements to have any material impact on its financial statements.

Item 7. Financial Statements.

Our financial statements are stated in United States dollars (US$) and are prepared in accordance with Generally Accepted Accounting Principles in the United States of America.

The following financial statements are filed as part of this annual report:

Report of Independent Registered Public Accounting Firm, dated November 19, 2008

Consolidated Balance Sheets

Consolidated Statements of Operations

Consolidated Statements of Cash Flows

Consolidated Statements of Changes in Stockholders' Equity

Notes to the Consolidated Financial Statements

Chang Lee LLP

Chartered Accountants

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of

GOLDEN ARIA CORP.

(An exploration stage company)

We have audited the consolidated balance sheets of **Golden Aria Corp.** (the Company) (an exploration stage company) as at August 31, 2008 and 2007 and the related consolidated statements of stockholders equity, operations and cash flows for the years then ended and for the period cumulative from inception November 24, 2004 (inception) to August 31, 2008. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as at August 31, 2008 and 2007 and the results of their operations and their cash flows for the years then ended and for the period cumulative from inception November 24, 2004 (inception) to August 31, 2008 in conformity with generally accepted accounting principles in the United States of America.

The accompanying consolidated financial statements refer to above have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the consolidated financial statements, the Company has incurred losses from inception and further losses are anticipated. These factors raise substantial doubt about its ability to continue as a going concern. Management s plans in regard to these matters are also described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Vancouver, Canada

November 19, 2008

Chartered Accountants

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GOLDEN ARIA CORP.
(An Exploration Stage Company)
CONSOLDIATED BALANCE SHEETS
(Expressed in U.S. Dollars)

		August 31, 2008		August 31, 2007
ASSETS				
Current				
Cash and cash equivalents	$	**124,394**	$	301,579
Accounts receivable		**21,378**		14,860
Prepaid expenses and deposit		**-**		-
Total current assets		**145,772**		316,439
Non-Current				
Long-term Investment in Pro Eco Energy (Note 5)		**40,927**		-
Proven - Oil and gas properties (Note 6)		**126,941**		203,658
Unproven - Oil and gas properties (Note 6)		**3,524,216**		-
Total Assets	$	**3,837,856**	$	520,097
LIABILITIES AND STOCKHOLDERS' EQUITY				
LIABILITIES				
Current				
Accounts payable and accrued liabilities	$	**7,775**	$	16,063
Due to related parties (Note 7)		**131,253**		206,871
Total Current Liabilities		**139,028**		222,934

Deferred tax liability	**762,704**	-
Total Liabilities	**901,732**	222,934

STOCKHOLDERS' EQUITY

Share capital

Authorized: 75,000,000 common shares with a par value of $0.001 per share

Issued and outstanding:

29,305,480 common shares at August 31, 2008

(and 15,495,480 common shares at August 31, 2007)

29,305

15,495

Additional paid-in capital

4,254,525

1,256,839

Deficit accumulated during the exploration stage

(1,347,706)

(975,171)

Total Stockholders' Equity	**2,936,124**	297,163
Total Liabilities and Stockholders' Equity	**3,837,856**	520,097

The accompanying notes are an integral part of these financial statements

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GOLDEN ARIA CORP.
(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF OPERATIONS
(Expressed in U.S. Dollars)

		YEAR ENDED		CUMULATIVE PERIOD FROM INCEPTION NOVEMBER 24, 2004 TO
		August 31, 2008	August 31, 2007	**August 31, 2008**
Revenue				
	Natural gas and oil revenue	**$ 194,465**	$ 82,206	**$ 276,671**
Cost of revenue				
	Natural gas and oil operating costs and royalties	**62,704**	27,945	**90,650**
	Depletion	**141,596**	76,092	**217,688**
	Write-down in carrying value of oil and gas property	**45,352**	216,299	**261,650**
		249,652	320,336	**569,988**
Gross Profit		**(55,187)**	(238,130)	**(293,317)**
Expenses				
	Accounting and audit	**51,497**	50,456	**161,395**
	Advertising & Promotions	**12,362**	-	**12,362**
	Bank charges and interest expense	**7,551**	4,063	**11,913**
	Consulting (Note 7 & Note 9)	**153,403**	142,399	**330,508**
	Exploration costs and option payment	**-**	119,342	**318,292**
	Fees and dues	**5,105**	4,055	**12,851**
	Insurance	**9,807**	-	**9,807**
	Investor relations	**8,852**	2,953	**11,805**
	Legal and professional	**32,052**	17,023	**106,034**

Office and miscellaneous		**13,809**		11,393	**30,728**
Rent		**11,052**		17,750	**37,632**
Telephone		**1,759**		-	**1,759**
Training & Conferences		**3,889**		-	**3,889**
Travel		**7,402**		2,381	**10,670**
Total expenses		**318,540**		371,815	**1,059,645**
(Loss) for the period before other income		**(373,727)**		(609,945)	**(1,352,962)**
Other income (expense)					
Interest income		**5,265**		2,549	**9,330**
Equity Interest Pick-Up		**(4,073)**		-	**(4,073)**
Write off of mineral property		**-**		(1)	**(1)**
Net (loss) for the period	**$**	**(372,535)**	$	(607,397)	**$ (1,347,706)**
Basic and diluted loss per share	**$**	**(0.01)**	$	(0.04)	
Weighted average number of common shares outstanding - basic and diluted		**25,871,846**		13,764,523	

The accompanying notes are an integral part of these financial statements

GOLDEN ARIA CORP.
(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in U.S. Dollars)

	YEAR ENDED		CUMULATIVE PERIOD FROM INCEPTION November 24, 2004 TO
	August 31, 2008	August 31, 2007	**August 31, 2008**
Cash flows used in operating activities			
Net (loss) for the period	**$ (372,535)**	$ (607,397)	**$ (1,347,706)**
Changes to reconcile net loss to net cash used in operating activities			
Consulting - Stock based compensation (Note 9)	**104,257**	116,959	**221,216**
Depletion	**141,596**	76,092	**217,688**
Write down in carrying value of oil and gas properties	**45,352**	216,299	**261,651**
Stock issued for mineral resource and oil and gas property	**-**	-	**37,500**
Write off of mineral property	**-**	1	**1**
Equity interest pick-up	**4,073**	-	**4,073**
Imputed interest expense	**7,139**	3,405	**10,544**
Adjusted cash flows used in operating activities	**(70,118)**	**(194,641)**	**(595,033)**
Change in non-cash working capital items:			
Accounts receivable	**4,190**	(14,860)	**(10,670)**

Prepaid expenses and deposit	**24,284**	12,589	**24,284**
Accounts payable and accrued liabilities	**(36,208)**	(33,955)	**(20,145)**
Due to related parties	**(75,618)**	740	**(71,803)**
Net cash used in operating activities	**(153,470)**	(230,127)	**(673,367)**
Cash flows used in investing activities			
Oil and gas properties acquisition	**(179,743)**	(17,993)	**(197,736)**
Mineral resource properties acquisition	**-**	-	**(1)**
Cash provided in connection investment in Pro Eco Energy	**(45,000)**	-	**(45,000)**
Cash provided in connection with business acquisition	**201,028**	-	**201,028**
Net cash used in investing activities	**(23,715)**	(17,993)	**(41,709)**
Cash flows from financing activities			
Proceeds from issuance of common stock	**-**	396,370	**839,470**
Net cash from financing activities	**-**	396,370	**839,470**
Increase (Decrease) in cash and cash equivalents	**(177,185)**	148,250	**124,394**
Cash and cash equivalents, beginning of period	**301,579**	153,329	**-**
Cash and cash equivalents, end of period	**$ 124,394**	$ 301,579	**$ 124,394**

The accompanying notes are an integral part of these financial statements

GOLDEN ARIA CORP.
(An Exploration Stage Company)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIENCY)
NOVEMBER 24, 2004 (inception) TO AUGUST 31, 2008
(Expressed in U.S. Dollars)

	Common Stock		Additional Paid-In Capital	Stock To Be Issued	Deficit Accumulated During Exploration Stage	Total Stockholders' Equity
	Shares	Amount				
Balance November 24, 2004 (Inception)	-	$ -	$ -	$ -	$ -	$ -
Issuance of common stock for cash at $0.01 per share on March 22, 2005	10,935,000	10,935	98,415	-	-	109,350
Issuance of common stock for cash at $0.15 per share on April 6, 2005	2,225,000	2,225	331,525	-	-	333,750
Stock to be issued	250,000	-	37,250	250	-	37,500
Comprehensive income (loss):						
(Loss) for the period	-	-	-	-	(167,683)	(167,683)
Balance, August 31, 2005	13,410,000	13,160	467,190	250	(167,683)	312,917
Stock issued on September 29, 2005	-	250	-	(250)	-	-
Comprehensive income (loss):						
(Loss) for the year	-	-	-	-	(200,091)	(200,091)
	13,410,000	13,410	467,190	-	(367,774)	112,826

Balance, August 31, 2006				
Units issued for cash at $0.25 per unit	185,480	185	163,144	
				-
				-
				163,329

to related parties on March 6, 2007

(included stock based compensation

of $116,959)

Stock issued for property on April 18, 2007 (note 6)

500,000

500

274,500

-

-

275,000

Units issued for cash at $0.25 per unit

200,000

200

49,800

-

-

50,000

on April 19, 2007

Units issued for cash at $0.25 per unit	
	1,200,000
	1,200
	298,800
	-
	-
	300,000

on August 31, 2007						
Imputed interest from non-interest bearing loan	-	-	3,405	-	-	3,405
Comprehensive income (loss):						
(Loss) for the year	-	-	-	-	(607,397)	(607,397)
Balance, August 31, 2007	15,495,480	15,495	1,256,839	-	(975,171)	297,163
Issued in connection of business acquisition	13,810,000	13,810	2,886,290	-	-	2,900,100
at $0.21 per share on November 30, 2007						
Imputed interest from non-interest bearing loan	-	-	7,139	-	-	7,139
Stock-based compensation on 1,785,000 options granted (Note 9)	-	-	104,257	-	-	104,257
Comprehensive income (loss):						
(Loss) for the year	-	-	-	-	(372,535)	(372,535)
Balance, August 31, 2008	29,305,480	$ 29,305	$ 4,254,525	$ -	$ (1,347,706)	$ 2,936,124

The accompanying notes are an integral part of these financial statements

GOLDEN ARIA CORP.
(An Exploration Stage Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
August 31, 2008

(Expressed in U.S. Dollars)

1.

ORGANIZATION

The Company was formed of November 24, 2004 under the laws of the State of Nevada and commenced operations on November 24, 2004. The Company is an independent natural gas and oil company engaged in the exploration, development and acquisition of natural gas and oil properties in the United States and Canada. The Company is considered as an exploration stage company as the revenue generated from the oil and gas properties was not substantial in terms of the Company s intended overall operations.

The Company has offices in Vancouver and Kelowna, B.C., Canada.

2.

BUSINESS ACQUISITION

Effective November 30, 2007, the Company acquired Target Energy, Inc. (Target), a private Nevada corporation, whose principal business is in the identification, acquisition and exploration of oil and gas properties. The Company issued to the shareholders of Target 13,810,000 shares of common stock, which represented 100% of the outstanding shares of Target. Following is a summary of purchase price allocation:

		November 30, 2007
Purchase price:		
Share consideration - 13,810,000 common shares at $0.21 per share	$	2,900,100
Purchase Price Allocation:		
Cash and cash equivalents	$	201,028

Accounts receivable		10,708
Prepaid expense and deposits		24,284
Oil and gas properties		3,454,704
Accounts payable and accrued liabilities		(27,920)
Deferred income tax liabilities		(762,704)
Total	$	2,900,100

The operations of Target from December 1, 2007 to August 31, 2008 have been reflected in the consolidated financial statements.

3.

GOING CONCERN UNCERTAINTY

The accompanying consolidated financial statements have been prepared on a going concern basis which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business for the foreseeable future. The Company incurred a net loss of $372,535 for the year ended August 31, 2008 [net loss for the year ended August 31, 2007 - $607,397] and as at August 31, 2008 has incurred

cumulative losses of $1,347,706 that raises substantial doubt about its ability to continue as a going concern. Management has been able, thus far, to finance the operations through equity financing and cash on hand. There is no assurance that the Company will be able to continue to finance the Company on this basis.

In view of these conditions, the ability of the Company to continue as a going concern is in substantial doubt and dependant upon its ability to generate sufficient cash flow to meet its obligations on a timely basis, to obtain additional financing as may be required, to receive the continued support of the Company s shareholders, and ultimately to obtain successful operations. These consolidated 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.

4.

SIGNIFICANT ACCOUNTING POLICIES

a)

Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its wholly-owned subsidiary, Target Energy Inc. All significant inter-company balances and transactions have been eliminated.

b)

Revenue Recognition

The Company uses the sales method of accounting for natural gas and oil revenues. Under this method, revenues are recognized upon the passage of title, net of royalties. Revenues from natural gas production are recorded using the sales method. When sales volumes exceed the Company s entitled share, an overproduced imbalance occurs. To the extent the overproduced imbalance exceeds the Company s share of the remaining estimated proved natural gas reserves for a given property, the Company records a liability. At August 31, 2008, the Company had no overproduced imbalances.

c) Cash and Cash Equivalents

Cash equivalents comprise certain highly liquid instruments with a maturity of three months or less when purchased. As of August 31, 2008, cash and cash equivalents consist of cash only.

d) Oil and Gas Properties

The Company utilizes the full cost method to account for its investment in oil and gas properties. Accordingly, all costs associated with acquisition, exploration and development of oil and gas reserves, including such costs as leasehold acquisition costs, capitalized interest costs relating to unproved properties, geological expenditures, tangible and intangible development costs including direct internal costs are capitalized to the full cost pool. When the Company obtains proven oil and gas reserves, capitalized costs, including estimated future costs to develop the reserves and estimated abandonment costs, net of salvage, will be depleted on the units-of-production method using estimates of proved reserves. Investments in unproved properties and major development projects including capitalized interest, if any, are not amortized until proved reserves associated with the projects can be determined. If the future exploration of unproved properties are determined uneconomical the amount of such properties are added to the capitalized cost to be amortized.

The capitalized costs included in the full cost pool are subject to a ceiling test , which limits such costs to the aggregate of the estimated present value, using a ten percent discount rate of the future net revenues from proved reserves, based on current economic and operating conditions.

Sales of proved and unproved properties are accounted for as adjustments of capitalized costs with no gain or loss recognized, unless such adjustments would significantly alter the relationship between capitalized costs and proved reserves of oil and gas, in which case the gain or loss is recognized in the statement of operations.

Exploration activities conducted jointly with others are reflected at the Company s proportionate interest in such activities.

Cost related to site restoration programs are accrued over the life of the project.

e) Stock-Based Compensation

The Company adopted SFAS No. 123(revised), "*Share-Based Payment*", to account for its stock options and similar equity instruments issued. Accordingly, compensation costs attributable to stock options or similar equity instruments granted are measured at the fair value at the grant date, and expensed over the expected vesting period. SFAS No. 123(revised) requires excess tax benefits be reported as a financing cash inflow rather than as a reduction of taxes paid.

f) Accounting Estimates

The preparation of financial statements in conformity 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 revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

g) Loss Per Share

Loss per share is computed using the weighted average number of shares outstanding during the period. The Company has adopted SFAS No.128 *Earnings Per Share* . Diluted loss per share is equivalent to basic loss per share because the potential exercise of the equity-based financial instruments was anti-dilutive.

h) Foreign Currency Translations

The Company s operations are located in the Canada, and it has offices in Canada. The Company maintains its accounting records in U.S. Dollars, as follows:

At the transaction date, each asset, liability, revenue and expense that was acquired or incurred in a foreign currency is translated into U.S. dollars by the using of the exchange rate in effect at that date. At the period end, monetary assets and liabilities are translated at the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in operations.

i) Fair Value of Financial Instruments

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The respective carrying value of certain on-balance-sheet financial instruments approximated their fair value. These financial instruments include cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and due to related parties. Fair values were assumed to approximate carry values for these financial instruments, since they are short term in nature and their carrying amounts approximate fair values or they are receivable or payable on demand. Management is of the opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments. The Company is operated outside the United States of America and thus have significant exposure to foreign currency risk due to the fluctuation of the currency in which the Company operates and the U.S. dollars.

j) Income Taxes

The Company has adopted statement of Financial Accounting Standards No. 109 (SFAS 109), *Accounting for Income Taxes*, which requires the Company to recognize deferred tax liabilities and assets for the expected future tax consequences of events that have been recognized in the Company s financial statements or tax returns using the liability method. Under this method, deferred tax liabilities and assets are determined based on the temporary differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect in the year in which the differences are expected to reverse.

k)

Long-Lived Assets Impairment

Long-term assets of the Company are reviewed for impairment when circumstances indicate the carrying value may not be recoverable in accordance with the guidance established in Statement of Financial Accounting Standards No. 144 (SFAS 144), *Accounting for the impairment or Disposal of Long-Lived Assets*. For assets that are to be held and used, an impairment loss is recognized when the estimated undiscounted cash flows associated with the asset or group of assets is less than their carrying value. If impairment exists, an adjustment is made to write the asset down to its fair value, Fair values are determined based on discounted cash flows or internal and external appraisals, as applicable. Assets to be disposed of are carried at the lower of carrying value or estimated net realizable value.

l) Asset Retirement Obligations

The Company accounts for asset retirement obligations in accordance with the provisions of SFAS 143 *Accounting for Asset Retirement Obligations* . SFAS 143 requires the Company to record the fair value of an asset retirement obligation as a liability in the period in which it incurs a legal obligation associated with the retirement of tangible long-lived assets that result from the acquisition, construction, development and/or normal use of the assets. The management of the Company had estimated the asset retirement obligation to be immaterial and therefore was not reflected on the financial statements as of August 31, 2008.

m) Comprehensive Income

The Company has adopted Statement of Financial Accounting Standards No. 130 (SFAS 130), *Reporting Comprehensive Income*, which establishes standards for reporting and display of comprehensive income, its components and accumulated balances. The Company is disclosing this information on its Consolidated Statement of Stockholders Equity. Comprehensive income comprises equity except those transactions resulting from investments by owners and distributions to owners.

n) Concentration of credit risk

The Company places its cash and cash equivalent with high credit quality financial institution. As of August 31, 2008, the Company had approximately $nil in a bank beyond insured limit (August 31, 2007: $201,000).

o) New Accounting Pronouncements

In May 2008, FASB issued FASB Staff Position (FSP) APB 14-1, Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement) (FSP APB 14-1). FSP APB 14-1 clarifies that convertible debt instruments that may be settled in cash upon either mandatory or optional conversion (including partial cash settlement) are not addressed by paragraph 12 of APB Opinion No. 14, Accounting for Convertible Debt and Debt issued with Stock Purchase Warrants. Additionally, FSP APB 14-1 specifies that issuers of such instruments should separately account for the liability and equity components in a manner that will reflect the entity s nonconvertible debt borrowing rate when interest cost is recognized in subsequent periods. FSP APB 14-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within

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those fiscal years. We will adopt FSP APB 14-1 beginning in the first quarter of 2009, and this standard must be applied on a retrospective basis. The adoption of this statement is not expected to have a material effect on the Company s financial statements.

In April 2008, the FASB issued FSP No. 142-3, Determination of the Useful Life of Intangible Assets (FSP 142-3). FSP 142-3 amends the factors an entity should consider in developing renewal or extension assumptions used in determining the useful life of recognized intangible assets under FASB Statement No. 142, Goodwill and Other Intangible Assets . This new guidance applies prospectively to intangible assets that are acquired individually or with a group of other assets in business combinations and asset acquisitions. FSP 142-3 is effective for financial statements issued for fiscal years and interim periods beginning after December 15, 2008. Early adoption is prohibited. The adoption of this statement is not expected to have a material effect on the Company s financial statements.

In May 2008, the FASB issued SFAS No. 162, *The Hierarchy of Generally Accepted Accounting Principles* . SFAS 162 identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of non-governmental entities that are presented in conformity with generally accepted accounting principles in the United States. It is effective 60 days following the SEC s approval of the Public Company Accounting Oversight Board amendments to AU Section 411, *The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles* . The adoption of this statement is not expected to have a material effect on the Company s financial statements.

In March 2008, the FASB issued FASB Statement No. 161 ("SFAS 161"), "Disclosures about Derivative Instruments and Hedging Activities". SFAS 161 requires companies with derivative instruments to disclose information that should enable financial-statement users to understand how and why a company uses derivative instruments, how derivative instruments and related hedged items are accounted for under FASB Statement No. 133 "Accounting for Derivative Instruments and Hedging Activities" and how derivative instruments and related hedged items affect a company's financial position, financial performance and cash flows. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. The adoption of this statement is not expected to have a material effect on the Company's future financial position or results of operations.

In December 2007, the Financial Accounting Standards Board (FASB) issued SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements - An amendment of ARB No. 51 .SFAS 160 requires companies with noncontrolling interests to disclose such interests clearly as a portion of equity but separate from the parent s equity. The noncontrolling interest s portion of net income must also be clearly presented on the Income Statement. SFAS 160 is effective for financial statements issued for fiscal years beginning after December 15, 2008. The adoption of this statement is not expected to have a material effect on the Company's future financial position or results of operations.

In December 2007, the Financial Accounting Standards Board (FASB) issued SFAS No. 141,(revised 2007), Business Combinations . SFAS 141 (R) applies the acquisition method of accounting for business combinations established in SFAS 141 to all acquisitions where the acquirer gains a controlling interest, regardless of whether consideration was exchanged. Consistent with SFAS 141, SFAS 141 (R) requires the acquirer to fair value the assets and liabilities of the acquiree and record goodwill on bargain purchases, with main difference the application to all acquisitions where control is achieved. SFAS 141 (R) is effective for financial statements issued for fiscal years beginning after December 15, 2008. The adoption of this statement is not expected to have a material effect on the Company's future financial position or results of operations

5.

LONG TERM INVESTMENT

On April 21, 2008, the Company purchased 900,000 shares for $45,000 in Pro Eco Energy USA Ltd. (Pro Eco Energy) which represented 8.25% ownership. The Chairman of the Company s Board is a Director in Pro Eco Energy which established the existence of significant influence in Pro Eco Energy and accordingly the equity method of accounting is adopted for the investment. During the fiscal year ended August 31, 2008, the Company recorded $4,073 equity interest pick-up which represents the Company s share of Pro Eco Energy s net loss from its incorporation to August 31, 2008.

6.

OIL AND GAS PROPERTIES

Queensdale, Saskatchewan (1A9-25)

On April 16, 2007, the Company acquired a 25% (net 15%) before payout (BPO) (12.5% (net 7.5%) after payout (APO)) interest in Queensdale, Saskatchewan Project from 0743608 B.C. Ltd. (Assignor), a company controlled by a Director/CFO of the Company, for a total cost of CAD$250,000 and 500,000 shares of the Company s common stock. The Participation Agreement consists specifically of all (100%) of the Assignor s interest in the Queensdale 1A9-25/4A2-25-6-2 W2M well; none (0%) of the Assignor s interest in the Queensdale 4A9-25 / 2D15-25-6-2 W2M well; and one-half (50%) interest in the Farmout Land and the Option Land.

On April 18, 2007, 500,000 shares were issued at market value $0.55 per share giving a total of $275,000.

The Company agrees but not limits to pay to the Assignor on monthly basis and within 5 business days of receiving the payment from net generated oil and gas revenue, a minimum of 80% of the payments received from net generated oil and gas revenue attributable to the Queensdale 1A9-25 / 4A2-25-6-2 W2M well, until such time as the full CAD$250,000 has been paid to the Assignor.

The total cost capitalized cost incurred for the oil and gas property was $487,097 which was attributed to the acquisition cost of the oil and gas property. The Company applied the full cost method to account for this property.

West Queensdale, Saskatchewan (HZ 4A9-25/3A15-25-6-2 W2)

In connection with the acquisition of Target, the Company acquired another producing well at Queensdale, Queensdale West HZ 4A9-25/3A15-25-6-2 W2. The well was drilled in February 2007 and was placed in production on May 15, 2007. The Company has an 8% Gross Interest before payout (BPO) and 4% net interest after payout in this well.

Wordsworth, Saskatchewan

Through the Company s subsidiary, Target, the Company owns a well working interest in Wordsworth, Saskatchewan, The Wordsworth property has one producing oil well which was drilled in May, 2006, and in which the Company has a 3.75% net interest. This is a horizontal well called the Wordsworth East HZ 2A2-23/3A11-14-7-3 W2, and was considered a new pool discovery. A second well on this property, the Wordsworth E. HZ 3B9-23/3A11-23-7-3 W2 located on the north side of the Wordsworth prospect area, was deemed not commercially viable as a producing oil well.

Coteau Lake, Saskatchewan

In connection with the acquisition of Target, the Company acquired certain working interest in Coteau Lake, Saskatchewan.

Coteau Lake is an exploration property and the Company has no producing oil or gas wells on this land at this time. The Coteau Lake exploration project covers 1,280 acres of land. The Company s gross and net interest in this project is 50%. There has been historic oil production on the Coteau Lake project lands.

On November 7, 2007, the Company s subsidiary Target entered into a Letter of Intent (the LOI) with Primrose Drilling Ventures Ltd. (Primrose), a body corporate, having an office in the city of Calgary, in the Province of Alberta. Pursuant to the LOI, the Target is the interest title holder of Saskatchewan Crown Land parcels 124, 125 and 126.

Primrose elected to proceed with a 50/50 joint venture with Target by reimbursing Target for 50% of its land cost on parcels 124, 125 and 126 for CDN$26,590 (received) which is payable on signing within 15 days of the LOI. Primrose would become operator of the project upon its acceptance of such appointment and agreement to assume the duties, obligations and rights of the operator. A formal Participation Agreement (Agreement) which included the provisions of LOI has been entered between Target and Primrose. Included in the Participation Agreement would be the Area of Mutual Interest (AMI) which would govern future land acquisitions and timeline set out in the LOI. As at August 31, 2008, the Company was still in the process defining the first well exploration location.

(a)

Proved property

Property	August 31, 2007	Addition	Depletion for the period	Write down in carrying value	August 31, 2008
Canada-Proved property	$ 203,658	$110,231	$ (141,596)	$ (45,352)	$ 126,941

(b)

Unproved property

	Property	August 31, 2007	Addition	Cost added to capitalized cost	August 31, 2008
Canada	Unproved Property	$ -	$3,524,217	$ -	$ 3,524,217

The additions of the unproved property was resulted of the business acquisition occurred during the period. The acquired unproven oil and gas properties of $ 2,615,139 have been recorded at amounts necessary to reflect temporary differences associated with the differences between their accounting and tax bases. As a result, these properties are recorded in the consolidated balance sheet at $ 3,377,843 with a corresponding deferred tax liability of $ 762,704 at the date of business acquisition. Subsequent to the business acquisition, the Company incurred further $146,374 in the unproved property.

Glen Park, Alberta

On May 14, 2008 the Company was successful in acquiring one land parcel of 160 acres in the Glen Park area of central Alberta, Canada. The Company subsequently created a 50/50 Joint Venture with Vanguard Exploration to explore and develop the joint lands on Alberta Petroleum and Natural Gas Lease No. 0408050364. The joint venture owns the Petroleum and Natural Gas rights below the base of the Mannville GRP to basement.

On June 11, 2008 the Company was successful in acquiring two land parcels of 160 acres each in the Glen Park area of central Alberta, Canada. These 320 acres are believed to be prospective for reef development and the potential accumulation of oil deposits. Productive wells in the area have had production rates in excess of 200 bop/d and in some cases with little associated water. The Company currently has a 100% interest in these two prospects. The Company continues to evaluate other opportunities in this and other areas.

7.

RELATED PARTIES TRANSACTION

During the fiscal year ended August 31, 2008, the Company paid $24,000 (August 31, 2007: $19,080) consulting fees to two directors of the Company. The Company incurred $6,155 (August 31, 2007: $6,365) office rent to companies controlled by directors of the Company. The Company paid $20,565 (August 31, 2007: $nil) to a company control by a director of the Company pursuant to a controller agreement entered with the related company.

The amount due to related parties represents amount owed to a company controlled by a director of the Company in connection with the acquisition of working interest in Queensdale, Saskatchewan Project. The amount is unsecured, non-interest bearing and no specific term of repayment.

Included in accounts payable and accrued liabilities, $2,340 (August 31, 2007: $3,710) are payable to directors of the Company.

8. COMMON STOCK AND WARRANTS

Common Stock

On March 6, 2007, the Company issued total of 185,480 units at $0.25 per unit to directors of the Company. Each unit consists of one common share and one share purchase warrant with exercise price of $0.40 per share, expires on

December 1, 2008. Units issued were revalued to their fair market value of common shares and share purchase warrants. The fair value of warrants has been estimated as of the date of issue using the Black-Scholes option pricing model with expected volatility: 104.11%, risk-free interest rate: 3.77%, expected life: 1.75 years and dividend yield: 0.00%. The fair value of each warrant has been estimated as $0.33 per warrant. For the year ended August 31, 2007, the Company recorded a total of $116,959 for stock based compensation expenses in connection with the revaluation of the units issued.

On April 18, 2007, pursuant to an Assignment Agreement, the Company issued 500,000 shares to a director of the Company at market value $0.55 per share for a total value of $275,000. (See Note 6)

On April 19, 2007, the Company issued total of 200,000 units at $0.25 per unit to an arm s length party. Each unit consists of one common share and one share purchase warrant with exercise price of $0.40 per share, expires on December 1, 2008.

On August 31, 2007, the Company issued total of 1,200,000 units at $0.25 per unit for total proceeds of $300,000. Each unit is comprised of one restricted common share and one warrant to purchase one additional share of common stock at a price of $0.40, exercisable for a period of two years from the closing of this offering.

On October 15, 2007, the Company entered into a share exchange agreement with Target Energy (Target), a private Nevada corporation, and the former shareholders of Target. On November 30, 2007, the Company issued 13,810,000 shares of its common stock to the shareholders of Target and in so doing acquired 100% of all issued Target shares from those shareholders who had owned 13,810,000 shares of Target.

Warrants

A summary of the changes in share purchase warrants for the period ended August 31, 2008 is presented below:

	Warrants Outstanding	
	Number of Shares	Weighted Average Exercise Price
Balance, August 31, 2007	1,585,480	$ 0.40
Issued	-	-
Balance, August 31, 2008	1,585,480	$ 0.40

The Company has the following warrants outstanding and exercisable.

August 31, 2008		Warrants outstanding and exercisable	
Exercise price	Number of shares	Weighted average remaining contractual life	Weighted average exercise price
$0.40	385,480	0.25 years	$ 0.40
$0.40	1,200,000	1.00 years	$ 0.40

9. STOCK OPTIONS

On December 14, 2007, the Company granted 1,785,000 stock options to directors, officers, and consultants of the Company with exercise prices of $0.35 per share, expires over 5 years. The vesting dates of options are as below:

Vesting Dates	Percentage of options granted
December 14, 2007	25%
December 14, 2008	25%
December 14, 2009	25%
December 14, 2010	25%

For the year ended August 31, 2008, the Company recorded a total of $104,257 for stock based compensation expenses which has been included in consulting fees.

A summary of the changes in stock options for the period ended August 31, 2008 is presented below:

	Options Outstanding	
		Weighted Average
	Number of Shares	Exercise Price
Balance, August 31, 2007	-	$ -
Granted	1,785,000	0.35
Balance, August 31, 2008	1,785,000	$ 0.35

The fair value of each option granted has been estimated as of the date of the grant using the Black-Scholes option pricing model with the following assumptions:

	Period ended August 31, 2008
Expected volatility	84.67%
Risk-free interest rate	3.98%
Expected life	5 years
Dividend yield	0.0%

A summary of weighted average fair value of stock options granted during the period ended August 31, 2008 is as follows:

	Weighted Average Exercise Price	Weighted Average Fair Value
Exercise price is more than the market price at grant date:	$ 0.35	$ 0.12

The Company has the following options outstanding and exercisable:

August 31, 2008	Options outstanding	Options exercisable

Range of exercise prices	Number of shares	Weighted average remaining contractual life	Weighted Average Exercise Price	Number of shares	Weighted Average Exercise Price
$0.35	1,785,000	4.21 years	0.35	446,250	0.35

10.

COMMITMENTS - OTHER

(a)

The Company has entered into a month-to-month rental arrangement for office space in Kelowna, British Columbia, Canada for $525 (including $25 GST) per month.

(b)

On December 1, 2007, the Company entered into a consulting agreement with the president of the Company for corporate administration and oil and gas exploration and production consulting services for $2,000 per month on a continuing basis.

(c)

On March 2, 2008, the Company entered into a controller agreement with CAB Financial Services, a corporation organized under the laws of the Province of British Columbia. CAB Financial Services is a consulting company controlled by the chairman of the board and chief financial officer of the Company.

Pursuant to the controller agreement, CAB Financial Services will provide corporate accounting and controller services to the Company in consideration for the payment of CAD$3,675 (including $175 GST) per month, together with reimbursement for all travel and other expenses incurred by it.

(d)

On July 11, 2008, the Company entered into a Letter of Intent (LOI) which the Company wishes to purchase remaining ownership (91.75%) of Pro Eco Energy USA Ltd. and 100% ownership of Swiss Solar Tech for a total purchase price of $2,000,000 and 3,000,000 common shares of the Company. As the date of the report, the Company has not yet entered into a definite agreement regarding to the above noted LOI.

11.

DEFERRED INCOME TAXES

The Company s provision for income taxes is comprised of the following:

		2008		2007
Current Tax Provision	$	Nil	$	Nil
Deferred Tax Provision	$	Nil	$	Nil
Tax Expense	$	Nil	$	Nil

Rate Reconciliation

Income taxes vary from the amount that would be computed by applying the statutory federal income tax rate of 34% for the following reasons:

		2008		2007
U.S. Federal Statutory Rate	$	126,700	$	213,000
Non-deductible items		(36,800)		(137,000)
Changes in Valuation Allowance		(89,900)		(76,000)

Tax Expenses	$	-	$	-

The tax effects of temporary differences that give rise to the Company s deferred tax asset (liability) are as follows:

		2008		2007
Net Operating Loss Carryforward	$	348,000	$	198,000
Tax Basis Less Than Accounting Basis For Oil and Gas Properties		(762,704)		-
Long term Investment		1,400		-
Valuation Allowance		(349,400)		(198,000)
Deferred Tax Assets	$	(762,704)	$	-

For tax purpose, as of August 31, 2008 the Company has operating loss carry forwards of approximately $1,025,000 which expire in 2025 through 2028.

12.

SEGMENTED INFORMATION

The Company s business is considered as operating in one segment (Canada) based upon the Company s organizational structure, the way in which the operation is managed and evaluated, the availability of separate financial results and materiality considerations.

13.

COMPARATIVE FIGURES

Certain 2007 comparative figures have been reclassified to conform with the financial statements presentation adopted for 2008.

14.

SUPPLEMENTAL INFORMATION ON NATURAL GAS AND OIL EXPLORATION, DEVELOPMENT AND PRODUCTION ACTIVITIES (UNAUDITED):

Standardized measure of discounted future net cash flows relating to proved oil and gas reserve quantities:

The following summarizes the policies the Company used in the preparation of the accompanying natural gas and oil reserve disclosures, standardized measures of discounted future net cash flows from proved natural gas and oil reserves and the reconciliations of standardized measures from year to year. The information disclosed, as prescribed by the Statement of Financial Accounting Standards No. 69, is an attempt to present the information in a manner comparable with industry peers.

The information is based on estimates of proved reserves attributable to our interest in natural gas and oil properties as of August 31, 2008. These estimates were prepared by independent petroleum consultants. Proved reserves are estimated quantities of natural gas and crude oil which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions.

The standardized measure of discounted future net cash flows from production of proved reserves was developed as follows:

1. Estimates are made of quantities of proved reserves and future periods during which they are expected to be produced based on year-end economic conditions.

2. The estimated future cash flows are compiled by applying year-end prices of natural gas and oil relating to our proved reserves to the year-end quantities of those reserves.

3. The future cash flows are reduced by estimated production costs, costs to develop and produce the proved reserves and abandonment costs, all based on year-end economic conditions.

4. Future net cash flows are discounted to present value by applying a discount rate of 10%.

The standardized measure of discounted future net cash flows does not purport, nor should it be interpreted, to present the fair value of our natural gas and oil reserves. An estimate of fair value would also take into account, among other things, the recovery of reserves not presently classified as proved, anticipated future changes in prices and costs, and a discount factor more representative of the time value of money and the risks inherent in reserve estimates.

The standardized measure of discounted future net cash flows relating to proved natural gas and oil reserves is as follows:

	USD$
Future cash inflows	209,136
Future production costs	(56,418)
Future development costs	(6,400)

Future net cash flows	146,318
10% annual discount for estimated timing of cash flows	(19,378)
Standardized measure of discounted future net cash flows	126,941

Year-end price per Bbl of oil used in making these same calculations was $48.77.

Estimated Net quantities of Natural Gas and Oil Reserves:

The following table sets forth our proved reserves, including changes, and proved developed reserves at the end of August 31, 2008.

	Crude Oil (MBbls)	Natural Gas (MMcf)	Crude Oil Equivalents (MBbls)
Proved reserves:			
Beginning of the year reserve	6.60	9.10	8.12
Purchases of reserves in place	2.74	-	2.74
Reserve Revision	(2.31)	(0.18)	(2.34)
Productions	(4.03)	(8.92)	(5.52)
End of year reserves	3.00	-	3.00
Proved developed reserves:			
Beginning of the year reserve	6.60	9.10	8.12
End of year reserves	3.00	-	3.00

Item 8. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 8A(T). Disclosure Controls and Procedures

Management s Report on Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the *Securities Exchange Act of 1934*, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our president (who is acting as our principal executive officer) and our chief financial officer (who is acting as our principal financial officer and principle accounting officer) to allow for timely decisions regarding required disclosure.

As of August 31, 2008, the end of our fiscal year covered by this report, we carried out an evaluation, under the supervision and with the participation of our president (who is acting as our principal executive officer) and our chief financial officer (who is acting as our principal financial officer and principle accounting officer), of the effectiveness of the design and operation of our disclosure controls and procedures. Based on the foregoing, our president (who is acting as our principal executive officer) and our chief financial officer (who is acting as our principal financial officer and principle accounting officer) concluded that our disclosure controls and procedures were effective as of the end of the period covered by this annual report.

Management s Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of internal control include providing management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management s authorization and recorded properly to permit the preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States. Our management assessed the effectiveness of our internal control over financial reporting as of August 31, 2008. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework*. Our management has concluded that, as of August 31, 2008, our internal control over financial reporting is effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with US generally accepted accounting principles. Our management reviewed the results of their assessment with our Board of Directors.

This annual report does not include an attestation report of our company s registered public accounting firm regarding internal control over financial reporting. Management s report was not subject to attestation by our company s registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit our company to provide only management s report in this annual report.

Inherent limitations on effectiveness of controls

Internal control over financial reporting has inherent limitations which include but is not limited to the use of independent professionals for advice and guidance, interpretation of existing and/or changing rules and principles, segregation of management duties, scale of organization, and personnel factors. Internal control over financial reporting is a process which involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements on a timely basis, however these inherent limitations are known features of the financial reporting process and it is possible to design into the process safeguards to reduce, though not eliminate, this risk. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Changes in Internal Control over Financial Reporting

There have been no significant changes in our internal controls over financial reporting that occurred during the year ended August 31, 2008 that have materially or are reasonably likely to materially affect, our internal controls over financial reporting.

Item 8B. Other Information

Due to the implementation of British Columbia Instrument 51-509 on September 30, 2008 by the British Columbia Securities Commission, we have been deemed to be a British Columbia based reporting issuer. As such, we are required to file certain information and documents at www.sedar.com.

On May 14, 2008, we acquired one land parcel of 160 acres in the Glen Park area of central Alberta, Canada. We subsequently entered into a 50/50 Joint Venture with Vanguard Exploration to explore and develop the joint lands on Alberta Petroleum and Natural Gas Lease No. 0408050364. The joint venture owns the Petroleum and Natural Gas rights below the base of the Mannville GRP to basement.

On June 11, 2008, we acquired two land parcels of 160 acres each in the Glen Park area of central Alberta, Canada. These 320 acres are believed to be prospective for reef development and the potential accumulation of oil deposits. We own the Petroleum and Natural Gas rights below the base of the Mannville GRP to basement as to 100%.

PART III

Item 9. Directors, Executive Officers, Promoters, Control Persons and Corporate Governance; Compliance with Section 16(a) of the Exchange Act.

Directors and Executive Officers, Promoters and Control Persons

As at September 29, 2008, our directors and executive officers, their ages, positions held, and duration of such, are as follows:

			Date First Elected
Name	**Position Held with our Company**	**Age**	**Or Appointed**
Robert McAllister	President and Director	48	November 2007
Gerald Carlson	Director	60	March 2005
Chris Bunka	Director and Chief Financial Officer	47	November 2004

Business Experience

The following is a brief account of the education and business experience of each director and executive officer during at least the past five years, indicating each person's principal occupation during the period, and the name and principal business of the organization by which he was employed.

Mr. Robert McAllister, President, Director

Mr. McAllister was appointed as president and director in November 2007.

Mr. McAllister has devoted approximately 50% of his professional time to the business and intends to continue to devote this amount of time in the future, or more as required.

Mr. McAllister has been a corporate consultant since 2004. He has also provided and written business and investment articles from 1996 to 2006 in various North American publications. Mr. McAllister is a resource investment entrepreneur with over 20 years experience in resource sector evaluations and commodity cycle analysis.

Dr. Gerald Carlson, Director

Dr. Gerald Carlson has served as our president and as one of our directors since March 2005 to November 2007. Dr. Carlson had devoted some of his professional time to the business of our company and will continue on a as needed basis will provide some of time in the future by corporate events.

From March 1999 to present, Dr. Carlson has been the president and co founder of Copper Ridge Explorations Inc., a publicly listed company located in Vancouver, British Columbia and a junior explorer with exploration projects in

Alaska, Yukon, British Columbia and Mexico. Copper Ridge is currently focusing on iron oxide copper-gold targets in Yukon.

From February 1999 to December 2007, Dr. Carlson had been the chairman of IMA Exploration Inc., a publicly listed junior exploration company headquartered in Vancouver, British Columbia. IMA has active exploration projects in Argentina and Peru.

From February 2000 to October 2004, Dr. Carlson was the president of Nevada Star Resource Corp., a publicly listed company located in Vancouver, British Columbia, exploring for nickel-copper-PGEs (platinum group metals) in Alaska.

Dr. Carlson received his Ph.D. through Dartmouth College in 1978, a M.Sc. from Michigan Technological University in 1974 and a B.Sc. from the University of Toronto in 1969, majoring in Geological Engineering.

Chris Bunka, Chief Financial Officer, Director

Mr. Chris Bunka has served as one of our directors since November 2004. Mr. Bunka has devoted approximately 15% of his professional time to the business and intends to continue to devote this amount of time in the future, or more as required.

Since 1988, Mr. Bunka has been the CEO of CAB Financial Services Ltd., a private holding company located in Kelowna, Canada. He is a venture capitalist and corporate consultant. He is also a business commentator and has provided business updates to Vancouver radio station, CKWX, from 1998 to present. He has also written business and investment articles published in various North American publications.

From 1999 to 2002, Mr. Bunka was the President and CEO of Secure Enterprise Solutions (symbol SETP-OTC) (formerly Newsgurus.com, symbol NGUR-OTC). The company subsequently changed its name to Edgetech Services and trades on the OTC with the symbol EDGH. Newsgurus.com was a web-based media company. Secure Enterprise Solutions moved into Internet-based computer security products and services and was subsequently purchased by Edgetech Services. Mr Bunka is also Chairman and CEO of Lexaria Corp, (symbol LXRA-OTC) an oil & gas exploration and production company. Mr. Bunka is a director of Defiance Capital Corp., a Canadian company.

Audit Committee and Audit Committee Financial Expert

We do not have an Audit Committee, our board of directors performs the functions of an Audit Committee. The current size of our board of directors does not facilitate the establishment of a separate committee.

Our board of directors has determined that it does not have a member of the audit committee that qualifies as an audit committee financial expert as defined in Item 401(e) of Regulation S-B.

We believe that our board of directors is capable of analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues reasonably expected to be raised by our company. In addition, we believe that retaining an independent director who would qualify as an audit committee financial expert would be overly costly and burdensome and is not warranted in our circumstances given the early stages of our development and the fact that we have not generated revenues to date.

Other Committees of the Board

Compensation Committee

We do not have a compensation committee.

Nominating Committee

We do not have a Nominating Committee, our entire board of directors perform the functions of a Nominating Committee and oversee the process by which individuals may be nominated to our board of directors.

The current size of our board of directors does not facilitate the establishment of a separate committee. We hope to establish a separate Nominating Committee consisting of independent directors, if the number of our directors is expanded.

Family Relationships

There are no family relationships between any director or executive officer.

Involvement in Certain Legal Proceedings

None of our directors, executive officers, promoters or control persons have been involved in any of the following events during the past five years:

1. any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

2. any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offences);

3. being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; or

4. being found by a court of competent jurisdiction (in a civil action), the Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

Code of Ethics

We adopted a Code of Ethics applicable to our senior financial officers and certain other finance executives, which is a "code of ethics" as defined by applicable rules of the SEC. Our Code of Ethics is attached as an exhibit to our Annual Report on Form 10-KSB filed on November 29, 2007. If we make any amendments to our Code of Ethics other than technical, administrative, or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of our Code of Ethics to our chief executive officer, chief financial officer, or certain other finance executives, we will disclose the nature of the amendment or waiver, its effective date and to whom it applies in a Current Report on Form 8-K filed with the SEC.

Section 16(a) Beneficial Ownership Compliance

Section 16(a) of the Securities Exchange Act requires our executive officers and directors, and persons who own more than 10% of our common stock, to file reports regarding ownership of, and transactions in, our securities with the Securities and Exchange Commission and to provide us with copies of those filings. Based solely on our review of the copies of such forms received by us, or written representations from certain reporting persons, we believe that during fiscal year ended August 31, 2008, all filing requirements applicable to its officers, directors and greater than ten percent beneficial owners were complied with, with the exception of the following:

Name	Number of Late Reports	Number of Transactions Not Reported on a Timely Basis	Failure to File Requested Forms
Gerald Carlson	Nil	Nil	Nil
Chris Bunka	Nil	Nil	Nil
Robert McAllister	Nil	Nil	Nil

Item 10. Executive Compensation.

The particulars of compensation paid to the following persons:

- our principal executive officer;
- each of our two most highly compensated executive officers who were serving as executive officers at the end of the year ended August 31, 2008 who had total compensation exceeding $100,000; and
- up to two additional individuals for whom disclosure would have been provided under (b) but for the fact that the individual was not serving as our executive officer at the end of the most recently completed financial year,

who we will collectively refer to as the named executive officers, of our years ended August, 31, 2008 and 2007, are set out in the following summary compensation table:

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards (#)	Non-Equity Incentive Plan Compensa-tion ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensa-tion ($)	Total ($)
Robert McAllister[(1)]	2008	$18,000	Nil	Nil	300,000	Nil	Nil	Nil	$18,000
President and Director	2007	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gerald Carlson [(2)]		$6,000	Nil	Nil	100,000	Nil	Nil	$1,590	$7,590
Director and Former	2008	$25,440	Nil	Nil	Nil	Nil	Nil	Nil	$25,440

President	2007								
Chris Bunka *Chief Financial Officer*	2008	Nil	Nil	Nil	300,000	Nil	Nil	$25,130	$25,130
	2007	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1)

On November 30, 2007, Mr. McAllister was appointed as our President and to our board of directors.

(2)

On November 30, 2007, Mr. Carlson resigned as our President but remained a director of our company.

Employment/Consulting Agreements

We entered into a consulting agreement with Dr. Gerald G. Carlson s company, KGE Management Ltd. from March 1, 2005 to November 30, 2007. Under this agreement, Dr. Carlson provided geological and corporate administration consulting services to our company, such duties and responsibilities included the provision of geological consulting services, strategic corporate and financial planning, management of the overall business operations of our company, and the supervision of office staff and exploration and mining consultants. Dr. Carlson, through KGE Management Ltd., was reimbursed at the rate of $2,000 per month. This agreement was terminated on November 30, 2007, but Dr. Carlson does remain on the Board as a Director.

We entered into a consulting agreement with Mr. Robert McAllister on November 30, 2007. During the term of this agreement, Mr. McAllister is to provide corporate administration and oil & gas exploration and production consulting services, such duties and responsibilities to include provision of oil and gas industry consulting services, strategic corporate and financial planning, management of the overall business operations of the Company, and supervising office staff and exploration and oil & gas consultants. Mr. McAllister is reimbursed at the rate of $2,000 per month. We may terminate this agreement without prior notice based on a number of conditions. Mr. McAllister may terminate the agreement at any time by giving 30 days written notice of his intention to do so.

On March 2, 2008, the Company entered into a controller agreement with CAB Financial Services, a corporation organized under the laws of the Province of British Columbia. CAB Financial Services is a consulting company controlled by the chairman of the board and chief financial officer of the Company. This agreement was renewed for another six month term on September 1, 2008.

Pursuant to the controller agreement, CAB Financial Services will provide corporate accounting and controller services to the Company in consideration for the payment of CAD$3,675 (including $175 GST) per month.

Other than as set out in this annual report on Form 10-KSB, we have not entered into any employment or consulting agreements with any of our current officers, directors or employees.

Outstanding Equity Awards at Fiscal Year-End

	OPTION AWARDS					STOCK AWARDS			
Name (a)	Number of Securities Underlying Unexercised Options (#) Exercisable (b)	Number of Securities Underlying Unexercised Options (#) Unexercisable (c)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#) (d)	Option Exercise Price ($) (e)	Option Expiration Date (f)	Number of Shares or Units of Stock That Have Not Vested (#) (g)	Market Value of Shares or Units of Stock That Have Not Vested ($) (h)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) (i)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (#) (j)
Robert McAllister	75,000	225,000		$0.35	2012/12/14				
	25,000	75,000		$0.35	2012/12/14				

Gerald Carlson					
Chris Bunka	75,000	225,000		$0.35	2012/12/14

Long-Term Incentive Plans

There are no arrangements or plans in which we provide pension, retirement or similar benefits for directors or executive officers, except that our directors and executive officers may receive stock options at the discretion of our board of directors. We do not have any material bonus or profit sharing plans pursuant to which cash or non-cash compensation is or may be paid to our directors or executive officers, except that stock options may be granted at the discretion of our board of directors.

We have no plans or arrangements in respect of remuneration received or that may be received by our executive officers to compensate such officers in the event of termination of employment (as a result of resignation, retirement, change of control) or a change of responsibilities following a change of control, where the value of such compensation exceeds $60,000 per executive officer.

Directors Compensation

We reimburse our directors for expenses incurred in connection with attending board meetings We did not pay director's fees or other cash compensation for services rendered as a director in the year ended August 31, 2008.

We have no formal plan for compensating our directors for their service in their capacity as directors, although such directors are expected in the future to receive stock options to purchase common shares as awarded by our board of directors or (as to future stock options) a compensation committee which may be established. Directors are entitled to reimbursement for reasonable travel and other out-of-pocket expenses incurred in connection with attendance at meetings of our board of directors. Our board of directors may award special remuneration to any director undertaking any special services on our behalf other than services ordinarily required of a director. No director received and/or accrued any compensation for their services as a director, including committee participation and/or special assignments.

Item 11. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

As of September 29, 2008, there were 29,305,480 shares of our common stock outstanding. The following table sets forth certain information known to us with respect to the beneficial ownership of our common stock as of that date by (i) each of our directors, (ii) each of our executive officers, and (iii) all of our directors and executive officers as a group. Except as set forth in the table below, there is no person known to us who beneficially owns more than 5% of our common stock. The number of shares beneficially owned is determined under rules of the SEC and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares as to which the individual has the sole or shared voting power or investment power and any shares which the individual has the right to acquire within 60 days through the exercise of any stock option or other right. Unless otherwise noted, we believe that each person has sole investment and voting power (or shares such powers with his or her spouse) with respect to the shares set forth in the following table:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percentage of Class
Gerald Carlson Vancouver, British Columbia, Canada	820,960[(1)]	2.79%
Chris Bunka Kelowna, British Columbia, Canada	3,450,000[(2)]	11.59%
Robert McAllister Kelowna, British Columbia, Canada	4,375,000[(3)]	14.85%

Gladys Jenks	2,537,500	8.66%
Gabriola, Island British Columbia		
Morgan Bunka	2,100,000	7.16%
Kelowna, British Columbia		

Britcliffe Financial Group Inc Panama City, Panama	2,000,000	6.82%
Directors and Executive Officers as a Group (3 people)	8,645,960	**29.23%**

(1) Includes 85,480 warrants exercisable at $0.40 which are currently exercisable and 50,000 options which are exercisable at $0.35 on or after December 14, 2008.

(2) Includes 1,300,000 shares held in the name of C.A.B. Financial Services and 400,000 shares held in 0743608 BC Ltd for which Chris Bunka is the sole beneficiary. Includes 100,000 warrants exercisable at $0.40 which are currently exercisable and 200,000 warrants which are currently exercisable at $0.40 and 150,000 options which are exercisable at $0.35 on or after December 14,2008.

(3)

Includes 150,000 options which are exercisable at $0.35 on or after December 14, 2008

Changes in Control

We are unaware of any contract or other arrangement the operation of which may at a subsequent date result in a change of control of our company.

Securities Authorized for Issuance Under Equity Compensation Plans

On December 14, 2007, our board of directors approved our 2008 Stock Option Plan. Under the 2008 Stock Option Plan, options may be granted to our directors, officers, employees and consultants as determined by our board of directors. Pursuant to the Plan, we reserved for issuance 2,800,000 shares of our common stock.

On December 14, 2007, we granted 1,785,000 stock options to directors, officers, and consultants of our company exercisable at of $0.35 per share for a period of 5 years. The vesting dates of the options are as below:

Vesting Dates	Percentage of options granted
December 14, 2007	25%
December 14, 2008	25%
December 14, 2009	25%
December 14, 2010	25%

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of	**Weighted-average exercise price of**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities**

Plan category	outstanding options, warrants and rights (a)	outstanding options, warrants and rights (b)	reflected in column (a)) (c)
Equity compensation plans approved by security holders	Nil	Nil	Nil
Equity compensation plans not approved by			

security holders	1,785,000	$0.35	1,015,000
Total	**1,785,000**		**1,015,000**

Item 12. Certain Relationships and Related Transactions, and Director Independence.

Except as disclosed herein, there have been no transactions or proposed transactions in which the amount involved exceeds the lesser of $120,000 or one percent of the average of our total assets at year-end for the last three completed fiscal years in which any of our directors, executive officers or beneficial holders of more than 5% of the outstanding shares of our common stock, or any of their respective relatives, spouses, associates or affiliates, has had or will have any direct or material indirect interest.

Corporate Governance

We currently act with two (3) directors, consisting of Robert McAllister, Gerald Carlson and Chris Bunka.

We have determined that we do not have any independent directors, as that term is used in Rule 4200(a)(15) of the Rules of National Association of Securities Dealers.

We currently do not have any committees of the board.

Item 13. Exhibits

Exhibits required by Item 601 of Regulation S-B

Exhibit No.	Description
3.1	Articles of Incorporation dated November 24, 2004 (incorporated by reference on our Registration Statement on Form SB-2 filed January 9, 2006)
3.2	Bylaws (incorporated by reference on our Registration Statement on Form SB-2/A filed March 6, 2006)
10.1	Mining Lease between Nevada North Resources (U.S.A.), Inc. and Miranda U.S.A. Inc. (incorporated by reference on our Registration Statement on Form SB-2 filed January 9, 2006)
10.2	Exploration Agreement with Options for Joint Venture between our company and Miranda U.S.A. Inc. (incorporated by reference on our Registration Statement on Form SB-2 filed January 9, 2006)
10.3	Amended Exploration Agreement between our company and Miranda U.S.A. Inc. (incorporated by reference on our Registration Statement on Form SB-2 filed January 9, 2006)

10.4	Consulting Agreement between our company and KGE Management Ltd. (incorporated by reference on our Registration Statement on Form SB-2 filed January 9, 2006)
10.5	Assignment Agreement with 0743608 B.C. Ltd. (incorporated by reference on our Current Report on Form 8-K filed March 19, 2007)
10.6	Consulting Agreement with Mr. Robert McAllister
14.1	Code of Ethics (incorporated by reference by from our annual report on Form 10-KSB filed on November 29, 2007).

31.1*	Certification pursuant to Rule 13a-14 and Rule 15d-14(a), promulgated under the Securities and Exchange Act of 1934, as amended (Chief Executive Officer).
31.2*	Certification pursuant to Rule 13a-14 and Rule 15d-14(a), promulgated under the Securities and Exchange Act of 1934, as amended (Chief Financial Officer).
32.1*	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer).
32.2*	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Financial Officer).

**Filed herewith*

Item 14. Principal Accountant Fees and Services

The following table sets forth the fees billed to the Company for professional services rendered by the Company's independent registered public accounting firm, for the years ended August 31, 2008 and August 31, 2007:

Services	**2008**	**2007**
Audit fees	$28,000	$24,000
Audit related fees	$Nil	$Nil
Tax fees	$Nil	$Nil
All other fees	$Nil	$Nil
Total fees	$28,000	$24,000

Audit Fees. Audit fees consist of fees billed for professional services rendered for the audits of our financial statements, reviews of our interim financial statements included in quarterly reports, services performed in connection with filings with the Securities and Exchange Commission and related comfort letters and other services that are normally provided by Chang Lee LLP for the fiscal years ended August 31, 2008 and August 31, 2007 in connection with statutory and regulatory filings or engagements.

Audit related Fees. There were $13,440 audit related fees paid to Chang Lee LLP for the fiscal year ended August 31, 2008 and $Nil for the fiscal year ended August 31, 2007.

Tax Fees. Tax fees consist of fees billed for professional services for tax compliance, tax advice and tax planning. These services include assistance regarding federal, state and local tax compliance and consultation in connection with various transactions and acquisitions. For the fiscal years ended August 31, 2008 and August 31, 2007, we did not use Chang Lee LLP for non-audit professional services or preparation of corporate tax returns.

We do not use Chang Lee LLP, for financial information system design and implementation. These services, which include designing or implementing a system that aggregates source data underlying the financial statements or generates information that is significant to our financial statements, are provided internally or by other service providers. We do not engage Chang Lee LLP to provide compliance outsourcing services.

Effective May 6, 2003, the Securities and Exchange Commission adopted rules that require that before Chang Lee LLP is engaged by us to render any auditing or permitted non-audit related service, the engagement be: approved by our audit committee (the functions of which are performed by our entire board of directors); or entered into pursuant to pre-approval policies and procedures established by the board of directors, provided the policies and procedures are detailed as to the particular service, the board of directors is informed of each service, and such policies and procedures do not include delegation of the board of directors' responsibilities to management. Our entire board of directors pre-approves all services provided by our independent auditors. All of the above services and fees were reviewed and approved by our sole director either before or after the respective services were rendered. Our board of directors have considered the nature and amount of fees billed by Chang Lee LLP and believe that the provision of services for activities unrelated to the audit is compatible with maintaining Chang Lee LLP s independence.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GOLDEN ARIA CORP.

By: /s/ Robert McAllister
Robert McAllister
President and Director
Principal Executive Officer
Date: November 24, 2008.

By: /s/ Chris Bunka
Chris Bunka
Chief Financial Officer and Director
Principal Financial Officer and Principal Accounting Officer
Date: November 24, 2008.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Robert McAllister
Robert McAllister
President and Director
Principal Executive Officer
Date: November 24, 2008.

By: /s/ Chris Bunka
Chris Bunka
Chief Financial Officer and Director
Principal Financial Officer and Principal Accounting Officer
Date: November 24, 2008.