

Keewatin Windpower Corp.  
Form 10-Q  
January 14, 2009

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

**FORM 10-Q**

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT  
OF 1934

For the quarterly period ended **November 30, 2008**

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT  
OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: **000-52410**

**KEEWATIN WINDPOWER CORP.**

(Exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction of incorporation or  
organization)

**N/A**

(I.R.S. Employer Identification No.)

**617 666 Burrard Street, Vancouver, BC, Canada V6C 3P6**

(Address of principal executive offices) (Zip Code)

**(604) 601-2070**

(Registrant's telephone number, including area code)

**N/A**

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer,

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or

a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY  
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes  No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

12,391,500 shares of common stock issued and outstanding as of January 8, 2009

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**PART I FINANCIAL INFORMATION**

**ITEM 1. FINANCIAL STATEMENTS**

These financial statements have been prepared by Keewatin Windpower Corp. without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted in accordance with such SEC rules and regulations. In the opinion of management, the accompanying statements contain all adjustments necessary to present fairly the financial position of our company as of November 30, 2008, and its results of operations, stockholders' equity, and its cash flows for the fiscal quarter ended November 30, 2008. The results for these interim periods are not necessarily indicative of the results for the entire year. The accompanying financial statements should be read in conjunction with the financial statements and the notes thereto filed as a part of our annual report on Form 10-K filed on September 12, 2008.

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Keewatin Windpower Corp.  
(A Development Stage Company)

November 30, 2008

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Keewatin Windpower Corp.  
(A Development Stage Company)  
Balance Sheets  
(Expressed in US Dollars)

November 30,  
2008  
\$  
(Unaudited)

May 31,  
2008  
\$

ASSETS

Current Assets

|                                      |           |           |
|--------------------------------------|-----------|-----------|
| Cash and cash equivalents            | 440,229   | 1,311     |
| Short term investment                | 604,065   | 1,366,056 |
| Prepaid expenses                     | 22,687    | 5,000     |
| Note receivable (Note 5)             | 100,000   |           |
| Total Current Assets                 | 1,166,981 | 1,372,367 |
| Property and equipment, net (Note 4) | 11,722    | 14,478    |
| Total Assets                         | 1,178,703 | 1,386,845 |

LIABILITIES AND STOCKHOLDERS EQUITY

Liabilities

|                                      |       |        |
|--------------------------------------|-------|--------|
| Accounts payable                     | 2,326 | 6,512  |
| Accrued liabilities                  | 3,622 | 13,597 |
| Management fees payable (Note 6 (b)) |       | 45,100 |
| Total Liabilities                    | 5,948 | 65,209 |

Contingencies (Note 1)

Stockholders Equity

Preferred Stock:

Authorized: 10,000,000 shares, \$0.001 par value

Issued and outstanding: None

Common Stock: (Note 7)

Authorized: 100,000,000 shares, \$0.001 par value

Issued and outstanding: 12,391,500 shares

|  |           |           |
|--|-----------|-----------|
| Additional paid-in capital                       | 2,071,366 | 2,071,366 |
| Deficit accumulated during the development stage | (911,002) | (762,121) |

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|   |           |           |
|---|-----------|-----------|
| Total Stockholders Equity                 | 1,172,755 | 1,321,636 |
| Total Liabilities and Stockholders Equity | 1,178,703 | 1,386,845 |

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

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Keewatin Windpower Corp.  
(A Development Stage Company)  
Statements of Operations  
(Expressed in US Dollars)  
(Unaudited)

|  | Accumulated from<br>February 25, 2005<br>(Date of Inception)<br>To<br>November 30,<br>2008<br>\$ | Three Months<br>Ended<br>November 30,<br>2008<br>\$ | Three Months<br>Ended<br>November 30,<br>2007<br>\$ | Six Months<br>Ended<br>November 30,<br>2008<br>\$ | Six Months<br>Ended<br>November 30,<br>2007<br>\$ |
|--|--|---|---|---|---|
| <b>Expenses</b>  |  |   |   |   |   |
| Consulting fees  | 85,129   | 24,171  | 2,075   | 60,304  | 7,360   |
| Management fees (Note<br>6(a) and 6(b))                            | 294,577  | 22,875  | 27,800  | 45,750  | 42,950  |
| Professional fees  | 116,802  | 22,078  | 3,390   | 38,593  | 9,510   |
| General and<br>administrative                                      | 495,055  | 9,318   | 4,719   | 12,650  | 5,921   |
| Operating loss   | 991,563  | 78,442  | 37,984  | 157,297   | 65,741  |
| <b>Other Income</b>  |  |   |   |   |   |
| Interest income  | (80,561)   | (5,540)   | (23,825)  | (8,416)   | (34,056)  |
| Net loss   | 911,002  | 72,902  | 14,159  | 148,881   | 31,685  |
| <b>Net loss per common share<br/>basic and<br/>diluted</b>         |  |   |   |   |   |
|  |  | (0.01)  | (0.00)  | (0.01)  | (0.00)  |
| <b>Weighted average number<br/>of common<br/>stock outstanding</b> |  |   |   |   |   |
|  |  | 12,392,000  | 12,392,000  | 12,392,000  | 11,898,000  |

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



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Keewatin Windpower Corp.  
(A Development Stage Company)  
Statements of Cash Flows  
(Expressed in US Dollars)  
(Unaudited)

|   | Accumulated<br>from<br>February 25,<br>2005<br>(Date of<br>Inception)<br>To<br>November 30,<br>2008<br>\$ | Six Months<br>Ended<br>November<br>30,<br>2008<br>\$ | Six Months<br>Ended<br>November<br>30,<br>2007<br>\$ |
|---|---|--|--|
| Operating activities  |   |  |  |
| Net loss for the period   | (911,002)   | (148,881)  | (31,685)   |
| Adjustments to reconcile net loss to net cash used in operating activities: |   |  |  |
| Depreciation  | 13,145  | 2,756  | 2,756  |
| Stock-based compensation  | 365,508   |  |  |
| Changes in operating assets and liabilities:                                |   |  |  |
| Prepaid expenses  | (22,687)  | (17,687)   |  |
| Accrued interest  | (4,065)   | 11,991   |  |
| Accounts payable and accrued liabilities                                    | 5,948   | (14,161)   | 87   |
| Note receivable   | (100,000)   | (100,000)  |  |
| Management fees payable   |   | (45,100)   | 2,500  |
| Net cash flows used in operating activities                                 | (653,153)   | (311,082)  | (26,342)   |
| Investing activities  |   |  |  |
| Purchase of equipment   | (24,867)  |  | (4,054)  |
| Purchase of short - term investments  | (1,950,000)   | (600,000)  |  |
| Redemption of short - term investments                                      | 1,350,000   | 1,350,000  |  |
| Net cash flows provided by (used in) investing activities                   | (624,867)   | 750,000  | (4,054)  |
| Financing activities  |   |  |  |
| Proceeds from common stock issuances  | 1,718,249   |  | 1,163,249  |
| Net cash flows provided by financing activities                             | 1,718,249   |  | 1,163,249  |
| Increase in cash and cash equivalents                                       | 440,229   | 438,918  | 1,132,853  |
| Cash and cash equivalents beginning of period                               |   | 1,311  | 449,185  |
| Cash and cash equivalents end of period                                     | 440,229   | 440,229  | 1,582,038  |
| Supplementary disclosures   |   |  |  |
| Interest paid   |   |  |  |
| Income taxes paid   |   |  |  |

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

Keewatin Windpower Corp.  
(A Development Stage Company)  
Notes to the Financial Statements  
(Expressed in US Dollars)  
(Unaudited)

1. Basis of Presentation

The unaudited financial information furnished herein reflects all adjustments, which in the opinion of management, are necessary to fairly state the Company's financial position and the results of its operations for the periods presented. This report on Form 10-Q should be read in conjunction with the Company's financial statements and notes thereto included in the Company's Form 10-KSB for the fiscal year ended May 31, 2008. The Company assumes that the users of the interim financial information herein have read or have access to the audited financial statements for the preceding fiscal year and that the adequacy of additional disclosure needed for a fair presentation may be determined in that context. Accordingly, footnote disclosure, which would substantially duplicate the disclosure contained in the Company's Form 10-KSB for the fiscal year ended May 31, 2008, has been omitted. The results of operations for the six-month period ended November 30, 2008 are not necessarily indicative of results that may be expected for the fiscal year ending May 31, 2009.

2. Organization and Description of Business

The Company was incorporated in the State of Nevada on February 25, 2005. The Company is a Development Stage Company, as defined by Statement of Financial Accounting Standard (SFAS) No.7 *Accounting and Reporting for Development Stage Companies*. Its activities to date have been limited to capital formation, organization, and development of its business plan for the exploration and development of wind power projects in Canada.

These financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company has never generated revenues since inception and has never paid any dividends and is unlikely to pay dividends or generate earnings in the immediate or foreseeable future. The continuation of the Company as a going concern is dependent upon the continued financial support from its shareholders, the ability of the Company to obtain necessary equity financing to continue operations, the successful exploitation of economically recoverable electricity in its wind power projects, and the attainment of profitable operations. As at November 30, 2008, the Company has accumulated losses of \$911,002 since inception. These factors raise substantial doubt regarding the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

3. Recent Accounting Pronouncements

In May 2008, the Financial Accounting Standards Board (FASB) issued SFAS No. 163, *Accounting for Financial Guarantee Insurance Contracts - An interpretation of FASB Statement No. 60*. SFAS 163 requires that an insurance enterprise recognize a claim liability prior to an event of default when there is evidence that credit deterioration has occurred in an insured financial obligation. It also clarifies how Statement 60 applies to financial guarantee insurance contracts, including the recognition and measurement to be used to account for premium revenue and claim liabilities, and requires expanded disclosures about financial guarantee insurance contracts. It is effective for financial statements issued for fiscal years beginning after December 15, 2008, except for some disclosures about the insurance enterprise's risk-management activities. SFAS 163 requires that disclosures about the risk-management activities of the insurance enterprise be effective for the first period beginning after issuance. Except for those disclosures, earlier application is not permitted. 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 nongovernmental 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.

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Keewatin Windpower Corp.  
(A Development Stage Company)  
Notes to the Financial Statements  
(Expressed in US Dollars)  
(Unaudited)

3. Recent Accounting Pronouncements (continued)

In March 2008, FASB issued SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities - an amendment to FASB Statement No. 133*. SFAS No. 161 is intended to improve financial standards for derivative instruments and hedging activities by requiring enhanced disclosures to enable investors to better understand their effects on an entity's financial position, financial performance, and cash flows. Entities are required to provide enhanced disclosures about: (a) how and why an entity uses derivative instruments; (b) how derivative instruments and related hedged items are accounted for under Statement 133 and its related interpretations; and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. It is effective for financial statements issued for fiscal years beginning after November 15, 2008, with early adoption encouraged. The adoption of this statement is not expected to have a material effect on the Company's financial statements.

In December 2007, the FASB issued SFAS No. 141R, *Business Combinations*. This statement replaces SFAS 141 and defines the acquirer in a business combination as the entity that obtains control of one or more businesses in a business combination and establishes the acquisition date as the date that the acquirer achieves control. SFAS 141R requires an acquirer to recognize the assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree at the acquisition date, measured at their fair values as of that date. SFAS 141R also requires the acquirer to recognize contingent consideration at the acquisition date, measured at its fair value at that date. This statement is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Earlier adoption is prohibited. The adoption of this statement is not expected to have a material effect on the Company's financial statements.

In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements - Liabilities - an Amendment of ARB No. 51*. This statement amends ARB 51 to establish accounting and reporting standards for the Noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. This statement is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Earlier adoption is prohibited. The adoption of this statement is not expected to have a material effect on the Company's financial statements.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities - Including an Amendment of FASB Statement No. 115*. This statement permits entities to choose to measure many financial instruments and certain other items at fair value. Most of the provisions of SFAS No. 159 apply only to entities that elect the fair value option. However, the amendment to SFAS No. 115 *Accounting for Certain Investments in Debt and Equity Securities* applies to all entities with available-for-sale and trading securities. SFAS No. 159 is effective as of the beginning of an entity's first fiscal year that begins after November 15, 2007. Early adoption is permitted as of the beginning of a fiscal year that begins on or before November 15, 2007, provided the entity also elects to apply the provision of SFAS No. 157, *Fair Value Measurements*. The adoption of this statement did not have a material effect on the Company's financial statements.

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements*. The objective of SFAS 157 is to increase consistency and comparability in fair value measurements and to expand disclosures about fair value measurements. SFAS 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. SFAS 157 applies

under other accounting pronouncements that require or permit fair value measurements and does not require any new fair value measurements. The provisions of SFAS No. 157 are effective for fair value measurements made in fiscal years beginning after November 15, 2007. The adoption of this statement did not have a material effect on the Company's financial statements.

4. Property and equipment

|                      | Cost<br>\$ | Accumulated<br>depreciation<br>\$ | November<br>30,<br>2008<br>Net carrying<br>value<br>\$ | May 31,<br>2008<br>Net carrying<br>value<br>\$ |
|----------------------|------------|-----------------------------------|--|--|
| Computer equipment   | 4,054      | (2,028)                           | 2,026  | 2,702  |
| Wind tower equipment | 20,813     | (11,117)                          | 9,696  | 11,776   |
|                      | 24,867     | (13,145)                          | 11,722   | 14,478   |

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Keewatin Windpower Corp.  
 (A Development Stage Company)  
 Notes to the Financial Statements  
 (Expressed in US Dollars)  
 (Unaudited)

5. Promissory Note

On September 23, 2008, the Company entered into a loan agreement with Sky Harvest Windpower Corp. ( Sky Harvest ) to lend Sky Harvest \$100,000. This loan is non-interest bearing, unsecured and due on September 22, 2009. Refer to Note 9.

6. Related Party Transactions

- a) The Company neither owns nor leases any real or personal property. A director provides office services without charge. Such costs are immaterial to the financial statements and accordingly, have not been reflected therein.
- b) During the six months ended November 30, 2008, the Company has incurred \$30,000 (2008 - \$15,000) in management fees provided by a director and principal shareholder of the Company. As at November 30, 2008, the Company has prepaid management fees of \$5,000. As at November 30, 2008, the Company owes this director \$nil (2008 - \$45,100) in management fees incurred prior to May 31, 2007.
- c) During the six months ended November 30, 2008, other directors were paid \$15,750 (2007 - \$27,950) in management fees. As at November 30, 2008, the Company has prepaid management fees of \$2,625 to the other directors.

These related party transactions are recorded at the exchange amount, being the amount established and agreed to by the related parties.

|                              | Six Months Ended<br>November 30, 2008 |                                       |
|------------------------------|---------------------------------------|---------------------------------------|
|                              | Number                                | Weighted<br>Average<br>Exercise Price |
| Balance, beginning of period | 1,000,000                             | \$ 2.50                               |
| Granted                      |                                       |                                       |
| Expired                      | (1,000,000)                           | 2.50                                  |
| Exercised                    |                                       |                                       |
| Balance, end of period       |                                       | \$                                    |

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Keewatin Windpower Corp.  
(A Development Stage Company)  
Notes to the Financial Statements  
(Expressed in US Dollars)  
(Unaudited)

## 8. Stock Options

During the year ended May 31, 2007, the Company granted stock options to directors, officers and key advisors to acquire up to 1,000,000 shares of common stock exercisable at \$1.10 per share on or before February 26, 2009. All options granted were vested at the time of issuance. The fair value for options granted was estimated at the date of grant to be \$365,508 using the Black-Scholes option pricing model assuming an expected life of 2 years, a risk-free rate of 4.49%, an expected volatility of 42% and no expected dividends. The fair value of these stock options granted was approximately \$0.37 per share. During the year ended May 31, 2007, the Company recorded stock-based compensation of \$91,337 as management fees and \$274,131 as general and administrative expenses.

A summary of the Company's stock option activity is as follows:

|                              | Six Months Ended<br>November 30, 2008 |                                       |
|------------------------------|---------------------------------------|---------------------------------------|
|                              | Number<br>of Options                  | Weighted<br>Average<br>Exercise Price |
| Balance, Beginning of period | 1,000,000                             | \$ 1.10                               |
| Granted                      |                                       |                                       |
| Cancelled/Forfeited          |                                       |                                       |
| Exercised                    |                                       |                                       |
| Balance, End of period       | 1,000,000                             | \$ 1.10                               |

As at November 30, 2008, all of the options were vested, and their intrinsic value was \$(360,000).

## 9. Potential Acquisition

The Company entered into a letter agreement dated March 26, 2007 to acquire 100% of the issued and outstanding common shares of Sky Harvest Windpower Corp. ( Sky Harvest ), a private Canadian company incorporated under the laws of British Columbia, in consideration for 17,343,516 restricted shares of the Company's common stock. The directors of the Company are also directors and principal shareholders of Sky Harvest. Sky Harvest holds the rights to construct a wind power facility on approximately 8,500 acres of land located in Southwestern Saskatchewan. The closing of this transaction is subject to shareholder approval.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### *Forward Looking Statements*

This quarterly report contains forward-looking statements. Forward-looking statements are projections in respect of future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as *may*, *should*, *intends*, *expects*, *plans*, *anticipates*, *believes*, *estimates*, *predicts*, *will*, *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 including the risks in the section entitled *Risks & Uncertainties* and the risks set out below, which may cause our or our industry's actual results, levels of activity or performance to be materially different from any future results, levels of activity or performance 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 or performance. 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.

In this report, unless otherwise specified, all dollar amounts are expressed in United States dollars and all references to *common stock* refers to shares of our common stock.

As used in this quarterly report, the terms *we*, *us*, *our*, *the Company* and *Keewatin* mean Keewatin Windpower and its subsidiaries.

### *Corporate Overview*

We were incorporated in the State of Nevada on February 25, 2005. We are a development stage company in the business of electrical power generation through the use of wind energy. We have not generated any revenue from operations since our incorporation. We do not anticipate earning any revenue until the completion of an environmental assessment on our properties, securing a power purchase agreement and erecting wind turbines on our properties of which there is no guarantee.

### *Results of Operations*

The following summary of our results of operations should be read in conjunction with our unaudited financial statements for the fiscal quarter ended November 30, 2008 which are included herein.

|          | Three Months Ended November 30 |           |                                 | Six Months Ended November 30 |           |                                 |
|----------|--------------------------------|-----------|---------------------------------|------------------------------|-----------|---------------------------------|
|          | 2008                           | 2007      | Percentage Increase or Decrease | 2008                         | 2007      | Percentage Increase or Decrease |
| Revenue  | \$ -                           | \$ -      | -                               | \$ -                         | \$ -      | -                               |
| Expenses | 78,442                         | 37,984    | 106.5%                          | 157,297                      | 65,741    | 139.3%                          |
| Interest | (5,540)                        | (23,825)  | (76.7%)                         | (8,416)                      | (34,056)  | (75.3%)                         |
| Income   |                                |           |                                 |                              |           |                                 |
| Net Loss | \$ 72,902                      | \$ 14,159 | 414.9%                          | \$ 148,881                   | \$ 31,685 | 369.9%                          |





*Revenues*

We recorded a net operating loss of \$72,902 for the fiscal quarter ended November 30, 2008 and have an accumulated deficit of \$911,002 since inception. We have had no operating revenues since our inception on February 25, 2005 through to the fiscal quarter ended November 30, 2008. We anticipate that we will not generate any revenues for so long as we are a development stage company.

*Expenses*

Our expenses for the fiscal quarter ended November 30, 2008 and 2007 are outlined below:

|                            | Three Months Ended November 30 |           |                                 | Six Months Ended November 30 |           |                                 |
|----------------------------|--------------------------------|-----------|---------------------------------|------------------------------|-----------|---------------------------------|
|                            | 2008                           | 2007      | Percentage Increase or Decrease | 2008                         | 2007      | Percentage Increase or Decrease |
| Consulting fees            | \$ 24,171                      | \$ 2,075  | 1,064.9%                        | \$ 60,304                    | \$ 7,360  | 719.3%                          |
| Management fees            | 22,875                         | 27,800    | (17.7%)                         | 45,750                       | 42,950    | 6.5%                            |
| Professional fees          | \$ 22,078                      | \$ 3,390  | 551.3%                          | \$ 38,593                    | \$ 9,510  | 305.8%                          |
| General and administrative | 9,318                          | 4,719     | 97.5%                           | 12,650                       | 5,921     | 113.6%                          |
| Operating Loss             | \$ 78,442                      | \$ 37,984 | 106.5%                          | \$ 157,297                   | \$ 65,741 | 139.3%                          |

*Liquidity and Capital Resources*

Our financial condition for the fiscal quarter ended November 30, 2008 and 2007 and the changes between those periods for the respective items are summarized as follows:

*Working Capital*

|                     | Three Months Ended |              | Percentage Increase or Decrease |
|---------------------|--------------------|--------------|---------------------------------|
|                     | November 30, 2008  | May 31, 2008 |                                 |
| Current Assets      | \$ 1,166,981       | \$ 1,372,367 | (14.9%)                         |
| Current Liabilities | 5,948              | 65,209       | (90.9%)                         |
| Working Capital     | \$ 1,161,033       | \$ 1,307,158 | (11.1%)                         |

The decrease in our working capital was primarily due to increased professional fees associated with our reporting obligations under Securities Exchange Act of 1934 and increased consulting fees associated with the development of our wind power projects. Also, during the quarter, we made a loan of \$100,000 to Sky Harvest Windpower Corp. This loan is non-interest bearing, unsecured and due on September 22, 2009.

*Cash Flows*

|   | Six Months Ended     |                      |                                       |
|---|----------------------|----------------------|---------------------------------------|
|   | November 30,<br>2008 | November 30,<br>2007 | Percentage<br>Increase or<br>Decrease |
| Cash Flows used in Operating Activities       | \$(311,082)          | \$(26,342)           | 1,280.9%                              |
| Cash Flows from used in Investing Activities  | 750,000              | (4,054)              | (18,600.2%)                           |
| Cash Flows provided by Financing Activities   | -                    | 1,163,249            | (100%)                                |
| Net increase (decrease) in cash during period | \$440,229            | \$1,582,038          | (72.2%)                               |

Cash Used In Operating Activities

During the fiscal quarter ended November 30, 2008 we used net cash in operating activities in the amount of (\$311,082). The cash used in the current year by our operating activities is primarily represented by our operations on our wind power projects

Cash from Financing Activities

We received net cash from financing activities in the amount of \$Nil during the fiscal quarter ended November 30, 2008 compared to \$1,163,249 during the fiscal quarter ended November 30, 2007.

Disclosure of Outstanding Share Data*Outstanding Warrants*

|                                 | Six Months Ended<br>November 30, 2008 |                                       |
|---------------------------------|---------------------------------------|---------------------------------------|
|                                 | Number of<br>Warrants                 | Weighted<br>Average<br>Exercise Price |
| Balance, beginning of period    | 1,000,000                             | \$ 2.50                               |
| Granted                         |                                       |                                       |
| Expired                         | (1,000,000)                           | 2.50                                  |
| Exercised                       |                                       |                                       |
| Balance, as at January 12, 2009 |                                       | \$                                    |

*Outstanding Stock Options*

During the year ended May 31, 2007, the Company granted stock options to directors, officers and key advisors to acquire up to 1,000,000 shares of common stock exercisable at \$1.10 per share on or before February 26, 2009. All options granted were vested at the time of issuance.

A summary of the Company's stock option activity is as follows:

Six Months Ended  
November 30, 2008

|                              | Number<br>of Options | Weighted<br>Average<br>Exercise Price |
|------------------------------|----------------------|---------------------------------------|
| Balance, Beginning of period | 1,000,000            | \$ 1.10                               |
| Granted                      |                      |                                       |
| Cancelled/Forfeited          |                      |                                       |
| Exercised                    |                      |                                       |
| Balance, January 12, 2009    | 1,000,000            | \$ 1.10                               |

As at January 12, 2009, all of the options were vested.

*Future Financings*

We recorded a net operating loss of \$72,902 for the fiscal quarter ended November 30, 2008 and have an accumulated deficit of \$911,002 since inception. As at November 30, 2008 we had cash and short term investments totaling \$1,044,294 and for the next twelve months, management anticipates that the minimum cash requirements to fund our continued operations will be \$300,000 excluding costs of constructing the wind turbine. Accordingly we have sufficient funds to meet our planned expenditures over the next 12 months, however, we will need further financing in order to meet our anticipated expenses for the construction of the proposed wind turbine.

We have begun sourcing equity financing to cover the balance of the anticipated costs for the next twelve months and anticipated costs relating to the erection of wind turbines. Until such financing is arranged, we intend to rely on the proceeds of our past financing concluded in July, 2007 for net proceeds of approximately \$1,163,250 to cover the cost of operations before the erection of wind turbines. We have not had any specific communications with any representative of a debt financing institution regarding our proposed wind power project. Accordingly, we cannot guarantee that it will be able to raise 75% of required funds through debt financing.

We currently do not have any arrangements for financing and may not be able to find such financing if required. The most likely sources of future funds that will be available to us are through debt financing and through the issuance of equity capital. We will only be able to secure debt financing for wind turbines if we are able to prove that an economic wind resource exists on a property that is acquired and that we have negotiated a power purchase agreement with a credit worthy counter-party. We do not have any arrangements in place for debt financing nor for the sale of our securities.

We anticipate continuing to rely on equity sales of our common shares in order to continue to fund our business operations. Issuances of additional shares will result in dilution to our existing shareholders. There is no assurance that we will achieve any additional sales of our equity securities or arrange for debt or other financing to fund our exploration and development activities during the next 12 month period.

*Off Balance Sheet Arrangements*

We have no significant 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 stockholders.

### ***Risks and Uncertainties***

*If we do not obtain additional financing our business will fail.*

Over the next 12 months, we anticipate spending \$300,000 on administrative costs, including management fees payable to our President and Directors, professional fees and general business expenses, including costs related to complying with filing obligations as a reporting company. As our operations become more complex, it is anticipated that these costs will increase.

To erect wind turbines on the property, at an anticipated cost of \$115,000,000, we expect to raise up to 75%, or approximately \$250,000 by way of debt financing and 25%, or approximately \$28,750,000 through the sale of common stock. It is unlikely that we will be able to make arrangements for debt financing until our environmental assessment is completed, which is not expected to occur until 2009 subject to the negotiation of a power purchase agreement with a credit worthy counter-party.

Cash on hand will not cover these costs. We will need to acquire additional financing in order to cover remaining business costs. We do not currently have any arrangements for financing and may not be able to find such financing if required. The most likely sources of future funds that will be available to us are through debt financing and through the issuance of equity capital. We will only be able to secure debt financing for wind turbines if it is able to prove that an economic wind resource exists on a property that is acquired and that we have negotiated a power purchase agreement with a credit worthy counter-party. We do not have any arrangements in place for debt financing nor for the sale of our securities.

*Because our continuation as a going concern is in doubt, we will be forced to cease business operations unless we can generate profitable operations in the future.*

We incurred losses since our inception. Further losses are anticipated in the development of our business. As a result, there is substantial doubt about our ability to continue as a going concern. Our ability to continue as a going concern is dependent upon our ability to generate profitable operations in the future and/or to obtain the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. If we cannot raise financing to meet our obligations, we will be insolvent and will cease business operations.

*Because all of our assets and a majority of our directors and officers are located in Canada, U.S. residents' enforcement of legal process may be difficult.*

All of our officers and directors reside in Canada. As well, all of our assets are located in Canada. Accordingly, service of process upon our company, or upon individuals related to Keewatin, may be difficult or impossible to obtain within the United States. As well, any judgment obtained in the United States against us may not be collectible within the United States.

*Because we have not commenced business operations, we face a high risk of business failure.*

We have not yet commenced business operations as an independent power producer; accordingly, we have no way to evaluate the likelihood that our business will be successful. We were incorporated on February 25, 2005 and to date have been involved primarily in organizational activities and wind assessment of the Saskatchewan property on which we have erected a meteorological tower.

Potential investors should be aware of the difficulties normally encountered by development stage companies and the high rate of failure of such enterprises. Prior to earning revenue, of which there is no assurance, we will likely incur

significant costs and expect to incur significant losses in the foreseeable future. If we are unable to acquire a property interest and erect a wind farm on our property, we will not earn profits nor be able to continue operations.

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*If we are not able to obtain an interest in a suitable property with a potential wind resource, our business will fail.*

We have entered into an agreement to operate a meteorological tower on a property in south-western Saskatchewan to determine whether it possesses a sufficient wind resource to justify the erection of wind turbines. However, we do not have an arrangement where it may erect turbines on the property if it contains an economic wind resource. Even if we are able to reach an agreement to acquire an interest in this property, we may not be able to obtain the financing necessary to complete the lease or purchase. If we are unable to acquire a suitable property interest, our business will fail.

*Future changes in weather patterns could negatively impact our business, reducing potential profitability or causing our business to fail.*

Changes in weather patterns may affect our ability to operate a wind power project on any property we acquires. Wind data that we collect from a meteorological tower may vary from results actually achieved when a wind turbine is installed. Changing global environmental and weather conditions may also affect the reliability of the data relating to a property.

Any wind farm that we develop, no matter where it is located, would be subject to variations in wind and changes in worldwide climatic conditions. Sudden or unexpected changes in environmental and meteorological conditions could reduce the productivity of our wind farm. Climatic weather patterns, whether seasonal or for an extended period of time, resulting in lower, inadequate and/or inconsistent wind speed to propel the wind turbines may render our wind parks incapable of generating adequate, or any, electrical energy.

*Our ability to erect turbines on a property in Saskatchewan will be contingent upon it obtaining environmental and municipal permits. If it cannot acquire these permits, our business will fail.*

In order to erect turbines on the Saskatchewan property, we must excavate portions of the land and install concrete platforms below surface. Before we commence this, we will need to obtain environmental and municipal permits from the Saskatchewan provincial government and the town responsible for the property interest it acquires. Depending on environmental impact, our proposed land disturbance may be unacceptable to these government bodies. In addition, the turbines themselves may be seen to have a negative impact on bird migration patterns or on the aesthetics of the region. These factors may prevent us from obtaining necessary permits. In such circumstances, we would be forced to abandon our business plan.

*If we cannot find a party from which we can purchase electricity on acceptable terms, we will not be able to establish a wind power project and our business will fail.*

Even if we demonstrate a significant wind resource on a property that we acquire, we may not be able to secure a purchaser for any electricity that we produce on acceptable terms. Without a purchaser for electricity from a property, we will not be able to proceed with our business plan.

*A decline in the price of our common stock could affect our ability to raise further working capital, it may adversely impact our ability to continue operations and we may go out of business.*

A prolonged decline in the price of our common stock could result in a reduction in the liquidity of our common stock and a reduction in our ability to raise capital. Because we may attempt to acquire a significant portion of the funds we need in order to conduct our planned operations through the sale of equity securities, a decline in the price of our common stock could be detrimental to our liquidity and our operations because the decline may cause investors to not choose to invest in our stock. If we are unable to raise the funds we require for all of our planned operations, we may

force us to reallocate funds from other planned uses which may have a significant negative effect on our business plan and operations, including our ability to develop new products and continue our current operations. As a result, our business may suffer and not be successful and we may go out of business. We also might not be able to meet our financial obligations if we cannot raise enough funds through the sale of our common stock and we may be forced to go out of business.

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*If we issue additional shares in the future, it will result in the dilution of our existing shareholders.*

Our certificate of incorporation authorizes the issuance of up to 100,000,000 shares of common stock with a par value of \$0.001. Our board of directors may choose to issue some or all of such shares to acquire one or more businesses or to provide additional financing in the future. The issuance of any such shares will result in a reduction of the book value and market price of the outstanding shares of our common stock. If we issue any such additional shares, such issuance will cause a reduction in the proportionate ownership and voting power of all current shareholders. Further, such issuance may result in a change of control of our corporation.

*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 ( FINRA ). 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 the American Stock Exchange. Accordingly, our shareholders may have difficulty reselling any of their shares.

*Our stock is a penny stock. Trading of our stock may be restricted by the SEC 's penny stock regulations and 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 15c-2-07 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.

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*FINRA sales practice requirements may also limit a stockholder's ability to buy and sell our stock.*

In addition to the penny stock rules promulgated by the Securities and Exchange Commission (see above for a discussion of penny stock rules), FINRA rules 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 and have an adverse effect on the market for our shares.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not Applicable.

### **ITEM 4T. CONTROLS AND PROCEDURES.**

#### *Disclosure Controls and Procedures*

As required by Rule 13a-15 under the Exchange Act, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures at November 30, 2008, which is the end of the period covered by this report. This evaluation was carried out by our principal executive officer and our principal financial officer. Based on this evaluation, our principal executive officer and our principal financial officer have concluded that the design and operation of our disclosure controls and procedures are effective as at the end of the period covered by this report.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed by our company in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by our company in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

There were no changes in our internal control over financial reporting during the three months ended November 30, 2008 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **PART II OTHER INFORMATION**

### **ITEM 1. LEGAL PROCEEDINGS.**

None.

### **ITEM 1A. RISK FACTORS**

Not Applicable.

### **ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

None.

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**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

**ITEM 4. SUBMISSIONS OF MATTERS TO A VOTE OF SECURITY HOLDERS**

None.

**ITEM 5. OTHER INFORMATION**

None.

**ITEM 6. EXHIBITS**

| <b>Exhibit No.</b> | <b>Description</b>  |
|--------------------|---|
| 3.1                | Articles of Incorporation (Attached as an exhibit to our Registration Statement on Form SB-2 filed on July 14, 2005)  |
| 3.2                | Bylaws (Attached as an exhibit to our Registration Statement on Form SB-2 filed on July 14, 2005)   |
| 4.1                | Form of Warrant Certificate for July 13, 2007 Private Placement (Attached as an exhibit to our November 30, 2007 Quarterly Report filed on January 14, 2008)  |
| 10.1               | Management Agreement (Attached as an exhibit to our Registration Statement on Form SB-2 filed on July 14, 2005).  |
| 10.2               | Consent to Entry/Right of Access Agreement (Attached as an exhibit to our Registration Statement on Form SB-2 filed on September 29, 2005).   |
| 10.3               | Letter of Intent dated March 27, 2007 between Keewatin Windpower Corp. and Sky Harvest Windpower Corp. (Attached as an exhibit to our November 30, 2007 Quarterly Report filed on January 14, 2008) |
| 10.4               | Form of Subscription Agreement for July 13, 2007 Private Placement for US Subscribers (filed as an exhibit to our November 30, 2007 Quarterly Report filed on January 14, 2008)                     |
| 10.5               | Form of Subscription Agreement for July 13, 2007 Private Placement for Non-US Subscribers (filed as an exhibit to our November 30, 2007 Quarterly Report, filed on January 14, 2008)                |
| <u>10.6*</u>       | <u>Loan Agreement between Sky Harvest Windpower Corp. and Keewatin Windpower Corp. dated September 23, 2008.</u>  |
| <u>10.7*</u>       | <u>Promissory Note dated September 23, 2008</u>   |
| <u>31.1*</u>       | <u>Certification Statement of the Chief Executive Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes- Oxley Act of 2002</u>  |
| <u>32.1*</u>       | <u>Certification Statement of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act Of 2002</u>  |

\*filed herewith

**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.

Dated: January 13, 2009

KEEWATIN WINDPOWER CORP.

*/s/ Chris Craddock*

By: Chris Craddock

Chief Executive Officer and Chief Financial Officer

(Principal Executive Officer, Principal Financial

Officer and Principal Accounting Officer)

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