REVETT MINERALS INC.

REPORT TO THE SHAREHOLDERS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2008

(UNAUDITED)

(Prepared by Management)

Revett Minerals Inc.
Consolidated Balance Sheets
at September 30, 2008 and December 31, 2007
(expressed in thousands of United States dollars)

Assets	September 30, 2008 (unaudited)	December 31, 2007
Current Assets		
Cash and cash equivalents	$ 11,479	$ 14,055
Short term investments	-	3,955
Accounts receivable	2,695	970
Income taxes receivable	99	1,250
Inventories (note 3)	4,899	4,519
Prepaid expenses and deposits	334	498
Total current assets	19,506	25,247
Mineral property, plant, equipment and mine development (net) (note 4)	61,953	60,714
Restricted cash (note 5)	7,567	7,386
Other long term assets	1,161	1,264
Total assets	$ 90,187	$ 94,611
Liabilities and shareholders' equity		
Current liabilities		
Trade accounts payable	$ 2,162	$ 1,985
Payroll liabilities	2,146	806
Income, property and mining taxes	1,434	1,161
Concentrate settlement payable	3,725	526
Other accrued liabilities	1,369	852
Current portion of long term debt (note 6)	2,178	9,719
Total current liabilities	13,014	15,049
Long-term portion of debt (note 6)	676	1,784
Reclamation and remediation liability (note 9 (b))	7,379	7,141
Future income taxes	7,874	8,391
Total liabilities	28,943	32,365
Non controlling interest	7,938	8,175
Shareholders' equity		
Preferred stock, no par value, unlimited authorized, nil issued and outstanding		
Common stock, no par value unlimited authorized, 75,002,702 (2007- 74,295,702) shares issued and outstanding	56,871	56,315
Contributed surplus	1,732	1,556
Deficit	(5,297)	(3,800)
	53,306	54,071
Contingencies (note 9)		
Total liabilities and shareholders' equity	$ 90,187	$ 94,611

See accompanying notes to interim consolidated financial statements.

Revett Minerals Inc.
Consolidated Statements of Operations and Comprehensive Income
Three and nine months ended September 30, 2008 and 2007
(expressed in thousands of United States dollars except share and per share amounts)
(unaudited)

	Three month period ended September 30, 2008	Three month period ended September 30, 2007	Nine month period ended September 30, 2008	Nine month period ended September 30, 2007
Revenues	$ 7,430	$ 9,136	$ 32,841	$ 35,754
Expenses:				
Cost of sales	8,881	7,049	26,674	23,356
Depreciation and amortization	459	280	1,305	1,115
Exploration and development	546	656	1,856	1,756
General and administrative	2,183	1,074	4,558	3,113
Accretion of reclamation and remediation liability	147	162	442	485
	12,216	9,221	34,835	29,825
Income (loss) from operations	(4,786)	(85)	(1,994)	5,929
Other income (expenses):				
Interest expense	(90)	(336)	(458)	(1,079)
Interest and other income	104	326	543	1,017
Foreign exchange gain (loss)	(135)	449	(316)	1,415
Total other income (expenses)	(121)	439	(231)	1,353
Net income (loss) before non controlling interest and taxes	(4,907)	354	(2,225)	7,282
Income tax recovery (expense)	793	385	723	(944)
Net income (loss) before non controlling interest	(4,114)	739	(1,502)	6,338
Non controlling interest	1,134	(859)	5	(2,430)
Net income (loss) and comprehensive income (loss) for the period	$ (2,980)	$ (120)	$ (1,497)	$ 3,908
Basic earnings (loss) per share	$ (0.04)	$ 0.00	$ (0.02)	$ 0.05
Diluted earnings (loss) per share	$ (0.04)	$ 0.00	$ (0.02)	$ 0.05
Weighed average number of shares outstanding	75,002,702	73,197,703	74,922,713	72,976,235
Weighted average number of diluted shares outstanding	75,002,702	73,197,703	74,922,713	73,542,289

Revett Minerals Inc.

Consolidated Statements of Cash Flow

Three and nine months ended September 30, 2008 and 2007

(expressed in thousands of United States dollars)

(unaudited)

	Three month period ended September 30, 2008	Three month period ended September 30, 2007	Nine month period ended September 30, 2008	Nine month period ended September 30, 2007
Cash flows from operating activities:				
Net income (loss) for the period	$ (2,980)	$ (120)	$ (1,497)	$ 3,908
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation and amortization	459	280	1,305	1,115
Accretion of reclamation and remediation liability	147	162	442	485
Foreign exchange loss (gain)	133	(449)	316	(1,415)
Stock based compensation	57	152	176	648
Loss (gain) on disposal of fixed assets	(2)	7	65	7
Future income tax expense (recovery)	(576)	(385)	(723)	944
Non controlling interest	(1,134)	859	(5)	2,430
Accrued interest from reclamation trust fund	(24)	(87)	(177)	(254)
Amortization of prepaid insurance premium	31	14	99	107
Change in fair value of derivative contracts	2,821	(594)	2,930	1,051
Changes in:				
Accounts receivable	1,628	2,509	(1,452)	(963)
Income taxes receivable	(99)	-	1,151	-
Inventory	(133)	(333)	(380)	(584)
Prepaid expenses and deposits	317	(1,030)	164	(1,206)
Accounts payable and accrued liabilities	677	(931)	2,307	(1,517)
Net cash provided by operating activities	1,322	54	4,721	4,756
Cash flows from investing activities:				
Proceeds (purchase) of short term investments	-	968	3,955	(976)
Other long term assets	-	25	-	502
Purchase of plant and equipment	(1,792)	(429)	(1,947)	(1,296)
Purchase of minority interest	-	(1,003)	-	(1,003)
Net cash provided (used) by investing activities	(1,792)	(439)	2,008	(2,773)
Cash flows from financing activities:				
Proceeds form the issuance of common stock, net	-	-	-	1,327
Repayment of debt	(814)	(402)	(8,203)	(2,746)
Repayment of capital leases	(210)	(321)	(786)	(745)
Net cash from (used by) financing activities	(1,024)	(723)	(8,989)	(2,164)
Effects of foreign exchange on cash held In foreign currencies	(133)	449	(316)	1,415
Net increase (decrease) in cash and cash equivalents	(1,627)	(659)	(2,576)	1,234
Cash and cash equivalents, beginning of period	13,106	21,755	14,055	19,862
Cash and cash equivalents, end of period	$ 11,479	$ 21,096	$ 11,479	$ 21,096
Supplementary cash flow information:				
Cash paid for interest expense	$ 151	$ 519	$ 702	$ 787
Cash paid for income taxes	$ -	$ 1,200	$ 75	$ 1,200
Common stock issued to acquire non-controlling interest	$ -	$ -	$ 556	$ -
Acquisition of plant and equipment under capital lease	$ 255	$ -	$ 338	$ -

Revett Minerals Inc.
Consolidated Statement of Shareholders' Equity
Nine months ended September 30, 2008 and 2007
(expressed in thousands of United States dollars

	Common shares				Contributed					
	Shares		Amount		surplus		Deficit		Total
Balance, December 31, 2006	71,904,088	$	53,989	$	816	$	(4,671)	$	50,134
Issued for cash on the exercise of share purchase warrants	1,293,615		1,327		-		-		1,327
Stock-based compensation on options granted	-		-		648		-		648
Net income for the year	-		-		-		3,908		3,908
Balance, September 30, 2007	73,197,703	$	55,316	$	1,464	$	(763)	$	56,017
Balance, December 31, 2007	74,295,702	$	56,315	$	1,556	$	(3,800)	$	54,071
Issued to acquire non controlling interest	707,000		556		-		-		556
Stock-based compensation on options granted	-		-		176		-		176
Net income (loss) for the period	-		-		-		(1,497)		(1,497)
Balance, September 30, 2008	75,002,702	$	56,871	$	1,732	$	(5,297)	$	53,306

See accompanying notes to interim consolidated financial statements.
(unaudited)

1. Basis of Presentation

In the opinion of management, the accompanying unaudited interim consolidated balance sheet and consolidated statements of operations and comprehensive income, cash flows, and shareholders' equity contain all adjustments, consisting only of normal recurring items, necessary to present fairly, in all material respects, the financial position of Revett Minerals Inc. ("Revett Minerals" or the "Company") as of September 30, 2008, and the results of its operations and its cash flows for the three and nine month periods ended September 30, 2008 and 2007. The operating and financial results for Revett Minerals for the three and nine months ended September 30, 2008 are not necessarily indicative of the results that may be expected for the year ended December 31, 2008.

Except as discussed in note 2 below, these unaudited interim consolidated financial statements are prepared using the same accounting policies and methods of application as those disclosed in note 2 to the Company's audited consolidated financial statements for the year ended December 31, 2007. These financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and accordingly, these interim financial statements do not include all the notes to the financial statements required in audited financial statements and as such these statements should be read in conjunction with the most recently completed audited financial statements and notes of the Company for the year ended December 31, 2007. These statements have been prepared in accordance with accounting principles generally accepted in Canada ("Canadian GAAP"). Material differences between Canadian GAAP and generally accepted accounting principles in the United States ("US GAAP") are disclosed in note 11. All currency is reported in United States dollars unless otherwise specified.

Under Canadian and U.S. generally accepted accounting principles, the Company is required to assess whether it is a going concern and disclose factors that may cast doubt on the Company's ability to continue to operate as a going concern. The recent economic uncertainties in the U.S. and world-wide have caused a substantial reduction in metal prices including copper and silver. Further declines in copper and silver prices would quickly erode the Company's cash and working capital position. The Company is currently investigating a number of alternative means of raising additional capital. However, no assurance can be given that these efforts will prove to be successful. At price levels of $2.00 per pound of copper and $10.00 per ounce of silver, the Company may run out of cash at or before December 31, 2008 unless such alternative financing efforts are successful.

The accompanying interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its obligations in the normal course of business. There is doubt about the appropriateness of the use of the going concern assumption as discussed in the preceding paragraph. As such, realization of assets and discharge of liabilities are subject to significant uncertainty.

The interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern basis was not appropriate. If the going concern basis was not appropriate for these interim consolidated financial statements, then significant adjustments would be necessary to the carrying value of assets and liabilities, the reported revenues and expenses, and the balance sheet classifications used. The appropriateness of the going concern basis is dependent upon, among other things, future profitable operations and the ability to generate sufficient cash from operations and financing arrangements to meet obligations.

2. Adoption of New Accounting Standards

On January 1, 2008, the Company adopted The Canadian Institute of Chartered Accountants ("CICA") section 1535- *Capital Disclosures*. This section establishes standards for disclosure concerning the Company's objectives, policies and processes for managing capital. The required disclosure is contained in note 7 (a).

On January 1, 2008, the Company adopted CICA section 3862- *Financial Instruments-Disclosures* and section 3863 *Financial Instruments- Presentation*, which together comprise a set of disclosure and presentation requirements that revise and enhance current disclosure obligations. Section 3862 requires disclosure of additional detail by financial asset and liability categories. Section 3863 establishes standards for presentation of financial instruments and non-financial derivatives. The standard deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and liabilities are offset. The required disclosure is contained in note 10.

On January 1, 2008, the Company adopted CICA section 3031- *Inventories*, which provides guidance on the measurement, presentation and disclosure requirements for inventories. This pronouncement requires inventories to be measured at the lower of cost and net realizable value and provides guidance on the determination of cost and its subsequent recognition as an expense, including any write-down to net realizable value. In certain circumstances this section also requires that previous write downs be reversed. Previously, the Company valued materials and supplies inventory at the lower of cost or replacement cost and a write up of inventory was not permitted. This section has been applied retroactively without restatement of prior periods but the adoption of this section did not result in any adjustments to opening deficit. The required disclosure is contained in note 3.

In February 2008, the Canadian Accounting Standards Board confirmed that Canadian public companies will be required to adopt International Reporting Standards ("IFRS") for fiscal years beginning on or after January 1, 2011. The adoption of IFRS will require the Company to change certain accounting policies, accounting systems, internal controls over financial reporting and disclosure. The Company is in the process of evaluating the impact of adopting IFRS for its financial statements and will need to invest substantial time and money to complete the conversion.

3. Inventories

The major components of the Company's inventory accounts at September 30, 2008 and December 31, 2007 are as follows.

(tabular amounts are expressed in thousands of U.S. dollars, except share and per share amounts)

	September 30, 2008 (unaudited)	Dec. 31, 2007 (audited)
Concentrate inventory	$ 1,445	$ 1,187
Material and supplies	3,454	3,332
	$ 4,899	$ 4,519

Inventories are valued at net realizable value at September 30, 2008 as net realizable value was less than cost and as a result an adjustment of $142,573 was recognized in cost of sales to reduce concentrate inventory to its net realizable value. The table below identifies the nature of expenses included in cost of sales for the three and nine months ended September 30, 2008 and 2007:

Nature of expense	Three month period ended September 30, 2008 (unaudited)	Three month period ended September 30, 2007 (unaudited)	Nine month period ended September 30, 2008 (unaudited)	Nine month period ended September 30, 2007 (unaudited)
Raw materials and consumables used	$ 4,707	$ 3,481	$ 11,509	$ 9,936
Labor costs	3,499	2,676	9,758	8,423
Other costs	928	1,078	5,665	5,206
Net change in concentrate inventories	(253)	(188)	(258)	(209)
	$ 8,881	$ 7,049	$ 26,674	$ 23,356

4. Mineral Property, Plant, Equipment and Mine Development

The major components of the Company's mineral property, plant, and equipment accounts at September 30, 2008, and December 31, 2007 are as follows:

	September 30, 2008 (unaudited)	Dec. 31, 2007 (audited)
TROY:		
Property acquisition and development costs	$8,989	$ 9,093
Plant and equipment	11,726	11,324
Buildings and structures	2,622	997
ROCK CREEK:		
Property acquisition costs	40,194	39,595
OTHER, corporate	3,673	3,672
OTHER, mineral properties	118	118
	67,322	64,799
Accumulated depreciation &depletion:		
Troy Property	(2,721)	(2,142)
Troy plant and equipment	(2,347)	(1,727)
Troy buildings and structures	(224)	(146)
Other corporate assets	(77)	(70)
	(5,369)	(4,085)
	$ 61,953	$ 60,714

(tabular amounts are expressed in thousands of U.S. dollars, except share and per share amounts)

No drilling costs were incurred and capitalized to convert mineral resources to reserves at the Rock Creek property and the Troy mine during the periods presented.

On February 1, 2008, Revett Silver Company's ("Revett Silver") shareholders exchanged 707,000 Class B common shares for common shares of the Company on a one for one basis. The Company exchanged these Class B common shares for Class A common shares of Revett Silver increasing its ownership in Revett Silver from 69% to 69.8%. As a result of this share exchange, the Company recorded an increase in the carrying value of the Troy and Rock Creek properties in the amount of $528,689, an increase in the future income tax liability of $206,400 and a corresponding reduction of $233,352 in non controlling interest.

5. Restricted Cash

On March 29, 2005, the Company purchased from a leading North American insurance company an environmental risk transfer program ("the ERTP"). The total cost of the ERTP was $8.4 million. Of this $8.4 million, $6.5 million was deposited in an interest-bearing account with the insurer ("the Commutation Account"). The Commutation Account principal plus interest earned on the principal are reserved exclusively to pay the Company's reclamation and mine closure liabilities at the Troy Mine. The remaining $1.9 million was comprised of a premium paid to the insurer and Montana state taxes on the ERTP transaction. This remaining amount is considered a non-current asset and is amortized over the life of the mine on a units-of-production basis. At September 30, 2008 the commutation account was $7.6 million (December 31, 2007-$7.4 million) and the balance for the prepaid insurance was $1.3 million (December 31, 2007-$1.4 million), of which the long term portion of $1.2 million (December 31, 2007-$1.2 million) is included in other assets.

6. Long-term debt

At September 30, 2008 and December 31, 2007 the balance of the company's long term debt and capital lease obligations were as follows.

	September 30, 2008 (unaudited)	Dec. 31, 2007 (audited)
Royal Gold royalty	$ 1,503	$ 3,705
Kennecott note	-	6,000
Capital leases	1,351	1,798
	2,854	11,503
Current portion	(2,178)	(9,719)
	$ 676	**$ 1,784**

Royal Gold Royalty

In October 2004, Revett Silver sold Royal Gold Inc. ("Royal Gold") two royalties on production from the Troy Mine for $7.25 million (the "Production Payment") and $0.25 million (the "Tail Royalty"), respectively. The Production Payment royalty is a 7% gross smelter return royalty payable in cash on production and limited to the lesser of 90% of proven and probable reserves as at October 13, 2004 or $10.5 million. The Tail Royalty is payable in cash at the rate of 6.1% on the gross smelter returns from Troy for production between 100% and 115% of its proven and probable reserves as at October 13, 2004 and then at the rate of 2% thereafter. At September 30, 2008, royalty payments approximating a cumulative total of $8.1 million had been made with an additional $0.8 million payable in October 2008.

Kennecott Note Payable

The Kennecott note payable, originally issued by Revett Silver, bore interest at 1% over the prime rate in effect on the last day of the preceding quarter. On February 21, 2008, this note was acquired by Revett Minerals for face value and the Company received an assignment of the mortgages on the Troy and Rock Creek properties which secure this note.

7. Share Capital

(a) Capital Management

The Company is a junior mining company with only one producing asset and limited access to financial markets at advantageous terms and conditions. The Company's objectives in managing its capital are twofold;

(i) to maintain sufficient liquidity to ensure the Company can meet its obligations as they become due and to ensure sufficient cash or debt facilities are in place to fund the Company's growth objectives and projects; and

(ii) to minimize dilution of common equity now and in the future as and when the Company is required to access the capital markets.

The Company defines capital to include debt and equity. The Company establishes the amount of capital in proportion to risk by managing the capital structure and making adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares or seek debt financing.

The Company's size, limited operating history, and the limited magnitude of its internally generated cash may be inadequate to finance its planned development activities at Rock Creek and its exploration and property, plant and equipment requirements at Troy. These factors also make accessing the debt markets difficult and costly. The Company may, from time to time, sell equity through secondary offerings to finance these cash requirements. The Company endeavors to sell its equity under the most favorable terms and conditions while attempting to minimize dilution to existing shareholders. To accomplish its objectives in managing capital, the Company continually monitors both the debt and equity markets to ensure the best possible price for any offering. The Company has decided not to pay dividends or repurchase any of its own outstanding equity for the foreseeable future.

Neither the Company nor its subsidiaries are subject to any externally imposed capital requirements, loan covenants or capital ratios. There were no changes to the Company's approach to capital management for the three and nine months ended September 30, 2008.

(b) Common Stock

The Company has one class of no par value common stock of which an unlimited number are authorized for issue. The holders of common stock are entitled to receive dividends without restriction when and if declared by the board of directors. Holders of the Company's common stock are not entitled to preemptive rights to acquire additional shares of common stock and do not have cumulative voting rights. At September 30, 2008, the Company had 75,002,702 shares of common stock outstanding. At September 30, 2008, Revett Silver had 26,311,761 Class B common shares outstanding which may be exchangeable into common shares of the Company, under certain conditions.

(c) Preferred Stock

The Company is authorized to issue an unlimited number of no par preferred stock. The Company's board of directors is authorized to create any series and, in connection with the creation of each series, to fix by resolution the number of shares of each series, and the designations, powers, preferences and rights; including liquidation, dividends, conversion and voting rights, as they may determine. At September 30, 2008, no preferred stock was issued or outstanding.

(d) Stock options

The Company's Equity Incentive Plan authorizes the Company to reserve and have available for issue, 8,000,000 shares of common stock, less that number of shares reserved for issuance pursuant to stock options granted under the Revett Silver stock option plan. As at September 30, 2008 Revett Silver had a total of 1,235,000 stock options exercisable into Class B common shares of Revett Silver at a weighed average price of $0.68 per share. Revett Silver will not grant any further stock options pursuant to this plan.

There were 60,000 stock options granted during the nine months ended September 30, 2008. At September 30, 2008, Revett Minerals had a total of 3,740,000 stock options outstanding with a weighted average exercise price of Can $1.01 and 3,220,002 options are currently exercisable with a weighted average exercise price of Can $1.01. A total of 55,000 stock options were cancelled during the nine month period ended September 30, 2008.

The weighted average grant date fair value of options granted in the nine month period ended September 30, 2008 was Can $0.32. The exercise price of the option at the date of the grant equals the fair value of the stock. The fair value of stock options granted in 2008 was estimated using the Black-Scholes option pricing model with the following assumptions:

a) Risk-free interest rate at the date of the grant - 2.5% per annum;
b) Life of the option- 4 years;
c) Volatility- 71%; and
d) Dividends- nil.

For the three and nine months ended September 30, 2008, the Company recorded total non-cash compensation related to its equity compensation plans of $57,000 and $176,000 respectively, compared to $152,000 and $648,000 for the three and nine month periods ending September 30,

(tabular amounts are expressed in thousands of U.S. dollars, except share and per share amounts)

2007. The table below identifies the key attributes of the stock options granted by the Company and the options vested as at September 30, 2008.

Options Granted	Options Vested	Exercise Price (Can $)	Expiry Date
100,000	100,000	0.76	January 25, 2010
600,000	600,000	0.76	April 27, 2010
75,000	75,000	0.55	July 19, 2010
40,000	40,000	1.25	May 12, 2011
20,000	20,000	1.25	September 15, 2011
1,520,000	1,520,000	1.10	October 4, 2011
25,000	25,000	1.45	December 4, 2011
1,050,000	700,002	1.11	January 12, 2012
40,000	40,000	1.15	March 5, 2012
210,000	70,000	0.84	November 19, 2012
60,000	30,000	0.60	May 1, 2013
3,740,000	**3,220,002**		

(e) Stock Purchase Warrants

The table below identifies stock purchase warrants outstanding at September 30, 2008 for the purchase of common shares of Revett Minerals and Revett Silver. The warrants of Revett Silver are exercisable into Class B common stock of Revett Silver, which in turn may be exchangeable into common stock of Revett Minerals, under certain conditions.

	Number	**Exercise price**	**Expiry**
Revett Minerals	2,875,000	Can$ 1.36	May 22, 2009
Revett Silver (1)	3,051,326	US$ 1.00	To be determined

(1) These warrants expire 18 months after Revett Silver becomes listed on a public stock exchange

8. Related Party Transactions

There were no related party transactions during the three and nine months ended September 30, 2008.

9. Commitments and Contingencies

a) Federal Mine Safety and Health Act Violations

The federal Mine Safety and Health Administration ("MSHA") issued a number of safety related citations against a subsidiary at various times in August 2007. These citations related to a rock fall which occurred at Troy on July 30, 2007 and certain other matters. Three of these citations allege the subsidiary company was negligent with respect to certain operations or activities conducted while mining and two citations allege the subsidiary acted in reckless disregard for the safety of the employees at the mine. As at September 30, 2008, the Company had potential fines totaling $0.7 million outstanding and it has set up an accrual for $0.3 million. The Company disputes the allegations and rational for the determination of the fines put forth by MSHA and is in the process of appealing the findings and fines. The Company will vigorously defend itself in court, if necessary.

(tabular amounts are expressed in thousands of U.S. dollars, except share and per share amounts)

b) Reclamation

In accordance with the operating permit granted the Troy Mine, the Montana DEQ is periodically required to review the ultimate bonding requirements for the mine. The bonding requirement at Troy totals $12.6 million and it is expected to increase an additional $0.3 million in December 2008. The following table shows the changes in the reclamation liability for the nine month period ended September 30, 2008.

	Nine Months Ended September 30, 2008 (unaudited)	**Year Ended Dec. 31, 2007** (audited)
Reclamation and remediation liability beginning of period	$ 7,141	$ 7,603
Change in timing and amount of estimated cash flows	(204)	(1,021)
Accretion expense	442	559
Ending balance	**$ 7,379**	**$ 7,141**

During the nine months ended September 30, 2008, the Company extended the mine life at Troy to 2015 from 2013 and also increased the estimated undiscounted cost to reclaim Troy by $1.0 million. This resulted in a net reduction of the estimated liability.

c) Legal Proceedings

Rock Creek Permitting Matters:

There are a number of legal challenges relating to the United States Forest Service (“USFS”) and the Montana Department of Environmental Quality (“DEQ”) approving the Rock Creek record of decision and supporting studies (including the recently re-affirmed biological opinion) and analysis. These challenges have been filed by individuals and organizations generally opposed to mining in the United States. The Company, in general, is not a named defendant to these actions, but it typically has requested and has been granted intervener status due to the direct impact the outcome of these cases could have on the Company’s Rock Creek project. The court has been fully briefed on all matters currently being adjudicated, or where the Company has prevailed, the decision of the court is being appealed. Therefore, the outcome of these matters is not determinable. Although the Company believes that it will ultimately retain its environmental and operating permits, it is possible that successful challenges could delay or prevent the Company from advancing development of the Rock Creek project which could result in the impairment and write down of the carrying value related to Rock Creek.

10. Financial Instruments

(a) Financial Risk Management

The Company has exposure to credit risk, liquidity risk and market risk from its use of financial instruments.

(b) Credit Risk

Credit risk is the potential for loss if a counterparty or customer fails to meet its financial obligations, principally with respect to accounts receivable, the investment in securities and if applicable, from the counterparty's failure to honor obligations on forward contracts. In general, the Company manages this risk by doing business with reputable, highly rated companies and by closely monitoring the prompt payment of all obligations owing it.

Copper concentrate is sold to one customer under a long term contract. This customer is a privately held international metal trading company and it is one of the largest metal trading companies in the world. Therefore, management is unable to accurately determine the precise credit worthiness of any outstanding receivables due from the customer. The Company receives a 90% provisional payment 14 days from the rail bill of lading date and may be at risk for this payment and the remaining provisional payments on prior shipments should this company encounter significant liquidity problems. Since 2005, the Company has received prompt and timely payment for all outstanding metal sales invoices. All sales are finalized and are required to be settled within three months of the rail car arriving at the smelter. Therefore, if its current customer is unable to purchase the Company's concentrate, the Company believes that another buyer could be found, although the terms and conditions may not be as favorable as those obtained from the current arrangement.

The Company may be exposed to credit risk on copper and silver forward contracts if its counterparty were not to honor its contractual commitment at settlement. The Company attempts to manage this risk by contracting only with reliable and reputable third parties. At September 30, 2008, the Company had sold forward 0.3 million pounds of copper at $3.73 per pound settling in the fourth quarter of 2008.

The Company manages its credit risk associated with cash and short term investments through the use of large reputable regional financial institutions in the United States and in Canada by utilizing the services of one of Canada's largest chartered banks. At September 30, 2008, the Company held cash and cash equivalents and short term investments in the amount of $11.5 million. The Company uses two banking institutions, a local regional bank which accounts for $8.3 million of the total and a major Canadian chartered bank which holds approximately $3.2 million. The funds held by the Canadian chartered bank are only invested in certificates of deposit which have a typical maturity of less than a year. Of the total $8.3 million held in the regional bank, approximately $2.8 million is liquid, held in checking or sweep accounts. $5.5 million is held in money market accounts and invested in terms for less than 90 days. The board of directors has approved a policy with respect to the investment of cash and it includes the following requirements:

(tabular amounts are expressed in thousands of U.S. dollars, except share and per share amounts)

i) no security shall be of a maturity longer than 18 months, unless otherwise directed by the Company's board of directors;

ii) no single issuer or guarantor (other than U.S. Treasury and other Federal Agencies) may represent more than 15-percent of the total value of Company's investible cash;

iii) the total portfolio must meet certain specified liquidity requirement such that the Company can convert these investments into cash within a reasonably short time period; and

iv) the board has specified the credit worthiness of acceptable investments as measured by third party rating agencies.

Both the Company and the investment manager at each financial institution is responsible for ensuring all fixed income investments conform to the policy adopted by the board of directors.

The Company is required to provide third party financial assurance to the State of Montana regarding its reclamation obligations. This assurance is provided by an insurance company with a credit rating of A+ XV by AM Best, and this company also holds and controls the Commutation Account funds. The Commutation Account is used to secure the financial assurance required by the State. This provider of the financial assurance and the holder of the commutation account funds must be approved by the State of Montana. However, should this company become insolvent and the State requires third party assurance from a different company, there is no assurance that the Company would be able to obtain such financial assurance, in which case the operating permits at Troy and Rock Creek would likely be revoked.

The carrying amount of financial assets represents the maximum credit exposure. At September 30, 2008, the Company's gross credit exposure was as follows:

Cash and cash equivalents	$ 11,479
Accounts receivable	2,695
Restricted cash	7,567
	$ 21,741

(c) Liquidity Risk

Liquidity risk is the risk the Company will not be able to obtain sufficient cash to meet its financial obligations as they come due. This risk is typically managed through the prudent investment of cash balances, through the close monitoring of discretionary expenditures, such as capital and exploration programs and by the preparation of detailed cash forecasts and monitoring trends in metal production and metal prices. Significant cash commitments at September 30, 2008 are as follows:

(tabular amounts are expressed in thousands of U.S. dollars, except share and per share amounts)

	1 Year	**2-3 Years**	**3 Plus Years**	**Total**
Accounts payable and accrued liabilities	$ 10,836	$ -	$ -	$ 10,836
Capital leases (1)	675	636	177	1,488
Operating leases	512	512	-	1,024
Royalty owing (1) (2)	1,503	-	-	1,503
Asset retirement obligation(3)	-	-	13,320	13,320

(1) These amounts include interest.
(2) The royalty obligation is only payable on actual production and is capped at $10.5 million.
(3) These amounts represent the undiscounted cash flow estimates

(d) Market Risk

Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates and interest rates will affect the Company's income, cash flow or the value of its financial instruments.

Commodity price risk: This is the largest market risk the Company is exposed to as changes in the prices of silver and copper will have a significant effect on revenue, cash flow and the value of accounts receivable because a significant portion of the Company's sales are subject to a future pricing mechanism and changes in metal prices will change both revenue and the value of accounts receivable. The Company does have a hedging policy which permits the Company to fix the price of concentrate to be produced in the future or for which concentrate has been sold and for which final settlement has not occurred.

For financial statement purposes the Company fair values all forward sales contracts and the amount of silver and copper in concentrate sold to its customer for which final prices have not yet been determined. At each month end, the Company adjusts its revenue to account for expected future prices and the corresponding expected future revenue and cash flow. In order to do this, the Company must make estimates of the future prices expected to prevail when final settlement occurs. The Company uses published forward prices for the period of expected settlement to estimate these expected prices. The table below identifies the accounts receivable for which revenues are subject to adjustment in the future as at September 30, 2008 and December 31, 2007.

Sales for which prices are not finalized	**September 30, 2008**	**December 31, 2007**
Copper sales not finalized (lbs)	3,453,110	1,822,972
Concentrate settlement payable for copper (000's)	$ (2,397)	$ (602)
Silver sales not finalized (ozs)	365,957	200,215
Concentrate settlement receivable (payable) for silver (000's)	$ (1,328)	$ 76

(tabular amounts are expressed in thousands of U.S. dollars, except share and per share amounts)

As at September 30, 2008 the closing price of copper was $2.91 per pound and silver was $12.96 per ounce. There for a 10% change in the price of both metals would change earnings and cash flow by approximately $1.5 million.

Interest rate risk: At September 30, 2008, the Company had limited interest rate risk as the majority of its capital leases have fixed rates of interest and secondly, its cash investments are of a sufficiently short duration that changes in interest rates are unlikely to have significant effect on the value of these investments. The interest rate on the Royal Gold royalty is estimated using the effective interest rate method and as such changes in interest rates do not affect it.

Foreign exchange risk: The Company's only foreign exchange risk is its exposure to the Canadian dollar, which as previously discussed, is limited to the $3.2 million dollars invested with a Canadian chartered bank. The Company has limited operating risk created through changes in foreign exchange because its operating assets are located in the United States, the US dollar is the Company's functional currency and metal sales are priced in United States dollars. A 10% change in the value of the Canadian dollar against the US dollar would have changed net income by approximately $0.32 million, all other things being held constant.

(e) Fair Values

The carrying values of cash and cash equivalents, short term investments, accounts receivable, restricted cash, and accounts payable and accrued liabilities approximate fair value due to their limited time to maturity or ability to immediately convert them to cash in the normal course. The carrying value of concentrate settlement payable, and forward sales contracts approximates are marked to market each month using quoted forward prices as at the last trading day of each month and accordingly approximate fair value. The carrying values of capital lease obligations and the Royal Gold royalty approximate fair market values as they are based on market rates of interest.

11. Reconciliation to United States Generally Accepted Accounting Principles

The consolidated financial statements have been prepared in accordance with Canadian GAAP, which differs in certain material respects from those principles that the Company would have followed had its consolidated financial statements been prepared in accordance with US GAAP.

The effect of the material measurement differences between Canadian GAAP and US GAAP on the amounts reported in the consolidated balance sheets, statements of operations and cash flows are as follows:

	September 30, 2008	**Dec. 31, 2007**
Liabilities, under Canadian GAAP	$ 36,881	$ 40,540
Shares redeemable at option of holder (a)	1,076	1,076
Liabilities, under US GAAP	$ 37,957	$ 41,616

(tabular amounts are expressed in thousands of U.S. dollars, except share and per share amounts)

Shareholders' equity, under Canadian GAAP	$ 53,306	$ 54,071
Shares redeemable at option of holder (a)	(1,076)	(1,076)
Shareholders' equity, under US GAAP	$ 52,230	$ 52,995

There are no material differences between Canadian GAAP and US GAAP with respect to net income and comprehensive income and total operating, financing or investing cash flows in the consolidated statement of cash flows, for any of the periods presented.

(a) Redeemable shares:

The Company has issued 3,583,333 common shares which are redeemable, at the option of the holder, into a net smelter return royalty. Under Canadian GAAP, these shares would be classified as equity. Under US GAAP, the full value associated with the redeemable shares is classified as temporary equity in liabilities.

(b) Income taxes:

For Canadian GAAP purposes, future income tax assets and liabilities are calculated based on substantially enacted tax rates in effect in the periods when the temporary differences are expected to reverse. For US GAAP purposes, enacted tax rates are used to calculate future income tax assets and liabilities. For all periods presented, there were no differences between the tax rates used for Canadian and US GAAP purposes.

(c) Common share units:

Under Canadian GAAP, the proceeds received on issuance of units, consisting of common shares and warrants, are not required to be allocated to the individual common share and warrant components when the instrument and its components are all determined to be equity instruments. Under US GAAP, the Company is required to allocate the proceeds received on unit offerings to the individual common share and warrant components on a relative fair value basis when both components are determined to be equity classified. The fair value of share purchase warrants issued in November 2006 was determined to be $1.0 million using the Black-Scholes method based on the following factors: risk free rate - 4.50%; volatility - 70%; expected life - 2.5 years; expected dividend yield - nil. Accordingly, under US GAAP, share capital as at September 30, 2008 and December 31, 2007 would be reduced and contributed surplus as at these dates would be increased by $1.0 million to reflect the relative fair values of the shares and warrants. As at September 30, 2008, none of the warrants had been exercised.

(e) Other additional disclosures:

The following additional information would be disclosed if these consolidated financial statements were presented in accordance with US GAAP:

Stock option plan and compensation expense:

The weighed average intrinsic value of options exercised during the nine months ended September 30, 2008 was nil (2007- nil). At September 30, 2008, the weighted average intrinsic value of options outstanding and exercisable was nil and nil respectively, and at September 30, 2007, they were $570,732 and $443,046, respectively.

At September 30, 2008, the total unrecognized compensation cost related to unvested stock options is $88,070. This cost is expected to be recognized over the weighted average period of 16 months.

At September 30, 2008, Revett Silver had 1,235,000 stock options outstanding. The weighted average exercise price of Revett Silver's options granted and exercisable is $0.68 per share. All options granted have vested. As at September 30, 2008 the estimated intrinsic value of the options granted and vested was nil (2007-Can $1,865,100). Revett Silver is a private company and for the purposes of this calculation, it was assumed the value of Revett Minerals' and Revett Silver's common shares are the same.

(f) Impact of recently adopted United States accounting pronouncements:

(i) On January 1, 2008, the Company adopted SFAS no. 159, "The Fair Value Option for Financial Assets and Financial Liabilities" (SFAS 159), which permits entities to choose to measure many financial assets and financial liabilities at fair value. Unrealized gains on items for which the fair value option has been elected are to be reported in earnings. The Company did not adopt the fair value option of any of its assets or liabilities.

(ii) On January 1, 2008, the Company adopted SFAS no. 157, "Fair Value Measurements, (SFAS 157). SFAS 157 established a framework for measuring fair value and expands disclosure about fair value measurements, but does not require any new fair value measurements. The adoption of SFAS No. 157 did not materially effect the presentation or disclosure in the Company's financial statements.

(iii) In June 2008, the EITF reached a conclusion in EITF07-05 that an equity-linked financial instrument would not be considered indexed to the Company's own stock if the strike price is denominated in a currency other than the issuer's functional currency. The determination of whether an equity-linked financial instrument is indexed to an entities own stock is not affected by the currency or currencies in which the underlying shares trade. This guidance is effective for financial statements beginning on January 1, 2009. The Company is presently evaluating the effect this guidance will have on its financial statements.

Management's Discussion and Analysis of Financial Condition and Results of Operations as at November 14, 2008

This Management's Discussion and Analysis ("MD&A") of the financial results of Revett Minerals Inc. ("Revett Minerals" or the "Company") for the three month and nine month periods ended September 30, 2008 should be read in conjunction with the unaudited interim consolidated financial statements and notes as at September 30, 2008 which form part of this report and the 2007 annual audited consolidated financial statements, the related Management's Discussion and Analysis, and the Form 10-K filed in Canada on SEDAR or on file in the United States on EDGAR. These financial statements are expressed in United States dollars, unless otherwise stated, and they are prepared in accordance with Canadian generally accepted accounting principles. Material differences between Canadian and US GAAP are disclosed in note 11 of the consolidated interim financial statements.

Some of the statements in this MD&A are forward looking statements that are subject to risk factors set out in the cautionary note contained in this MD&A.

Overview and Important Factors Influencing Results for the Three and Nine Months Ended September 30, 2008

As at November 14, 2008, the Company's principal assets consisted of a 69.8% interest in the Troy copper and silver mine ("Troy") in northwest Montana, USA and also a 69.8% interest in the Rock Creek copper and silver exploration project ("Rock Creek") also located in northwest Montana. Troy was placed back into commercial production by the Company in January, 2005.

Overall Performance

During the third quarter the most significant event affecting the financial performance of the Company was the dramatic decline in the price of copper and silver. Metal prices will continue to be the most significant factor influencing the Company's operations going forward. For the three month period ended September 30, 2008, Revett Minerals reported a net loss after taxes and non-controlling interest of $3.0 million or $0.04 per share compared to a net loss after taxes and non-controlling interest of $0.1 million or $0.00 per share for the three months ended September 30, 2007. Net earnings in the third quarter of 2008 were negatively effected by three significant factors, (i) in the quarter revenues were reduced by $3.0 million due to the accounting requirement to fair value accounts receivables and forward contracts for which final settlement has not yet occurred; (ii) legal expenses relating to Rock Creek approximated $0.5 million; and (iii) general and administrative costs increased significantly because of the accrual of severance of $0.9 million for a member of the senior management team and due also to certain corporate development efforts which were undertaken and concluded during the third quarter.

For the nine month period ended September 30, 2008, Revett Minerals reported a net loss after taxes and non-controlling interest of $1.5 million or $0.02 per share compared to net income after taxes and non-controlling interest of $3.9 million or $0.05 per share for the nine months ended September 30, 2007.

On a stand alone basis, Troy (100% basis) reported a net loss before taxes for the three month period ended September 30, 2008 of $2.5 million compared to net income before taxes of $1.8 million for the comparable period in 2007. As Troy is only one component of Revett Silver and 69.8% of Revett Silver's earnings are attributable to the shareholders of Revett Minerals during the reporting period because of the non-controlling shareholdings in Revett Silver. This ownership interest increased from 69% in December 2007 to 69.8% in February 2008 and was 67% on September 30, 2007.

The major highlights for the three and nine months ended September 30, 2008 included:

- *The Troy Mine (100% basis ("Troy")) attained mill throughput averaging 3,497 tons per day for the three months ended September 30, 2008 (3,492 tons per day for the nine month period ending September 30, 2008) compared to 2,263 tons per day during the three months ended September 30, 2007 (3,282 tons per day for the nine month period ending September 30, 2007);*
- *Troy (100% basis) generated approximately $0.6 million in cash for the three months ended September 30, 2008 bringing its year to date cash flow to approximately $4.2 million;*
- *Troy (100% basis) lost approximately $2.5 million during the third quarter of 2008. For the nine month period ending September 30, 2008, Troy (100% basis) has reported net earnings of approximately $4.1 million before taxes;*
- *Troy (100% basis) produced 2.5 million pounds of copper and 302,239 ounces of silver in concentrate during the third quarter of 2008 compared to 1.7 million pounds of copper and 195,559 ounces of silver for the three months ended September 30, 2007;*
- *For the nine month period ended September 30, 2008, Troy produced 7.1 million pounds of copper and 793,998 ounces of silver in concentrate compared to production of 8.5 million pounds of copper and 927,065 ounces of silver in concentrate for the comparable nine month period in 2007; and*
- *Troy has now operated since August 2007 without any significant lost time incidents.*

Results of Operations for the Three Months and Nine Months Ended September 30, 2008 Compared to the Same Periods in 2007

For the three months ended September 30, 2008, Revett reported a net loss of $3.0 million or $0.04 per share on revenue of $7.4 million. This compared to a net loss of $0.1 million or $0.00 per share during the three months ended September 30, 2007 on revenues of $9.1 million.

For the nine month period ended September 30, 2008, Revett Minerals reported a net loss after taxes and non-controlling interest of $1.5 million or $0.02 per share compared to net income after taxes and non-controlling interest of $3.9 million or $0.05 per share for the nine months ended September 30, 2007.

Operating Results:

The table below illustrates certain key operating statistics for Troy (100% basis) for the three months ended September 30, 2008, with a comparison to the prior three months and same three month period in 2007.

	Three Months Ended September 30, 2008	Three Months Ended June 30, 2008	Three Months Ended September 30, 2007
Tons milled	321,696	331,698	208,186
Tons milled per day	3,497	3,645	2,263
Copper grade (%)	0.45	0.41	0.49
Silver grade (opt)	1.04	0.87	1.06
Copper recovery (%)	88.7	87.9	86.1
Silver recovery (%)	90.2	90.1	88.6
Copper produced (lbs)	2,549,580	2,388,947	1,753,207
Silver produced (ozs)	302,239	259,847	195,599
Copper sold (payable pounds)	2,325,551	2,391,086	1,644,681
Silver sold (payable ounces)	252,587	244,630	183,427

Production levels during the third quarter of 2008, as measured by mill throughput, decreased by 3% over the second quarter of 2008, however this was slightly offset by an increase in both the grade of copper and silver also increased as the mine was successful in developing additional work headings in the main areas of the mine and less ore was sourced from the lower quartzite areas than in the prior quarter. In addition, ore recoveries in the mill remain above budget levels. Also during the third quarter, the mine successfully developed additional headings in the East Ore Body which should provide for increase operating flexibility in the future. The table below illustrates operating costs on a tons milled basis and generally reflects the sensitivity of costs to the level of mill throughput. Equipment availability remains a challenge and maintenance costs are high.

Production levels during the third quarter of 2008, as measured by mill throughput, improved by 54.5% over the third quarter of 2007 because in 2007 mining operations were restricted by a rock fall which occurred in late July and resulted in the suspension of operations in numerous areas underground. Additionally, ore grades milled during the third quarter of 2008 were below that experienced during the third quarter of 2007 because the mine was forced to operate in lower grade areas because of a shortage of development headings. However, mill recoveries improved significantly in-spite of milling lower grade ore. During the third quarter, the mine successfully developed additional headings in the East Ore Body which should provide for increase operating flexibility in the future should the Company have sufficient resources to continue normal operations and should the commodity prices recovery from the low level experience during October and early November.

	Q3.08	**Q2.08**	**Q1.08**	**Q4.07**	**Q3.07**	**Q2.07**	**Q1.07**
Tons milled	321,686	331,698	299,863	212,425	208,186	337,712	350,180
Cost per ton milled ($)	26.65	26.96	26.33	32.81	32.89	22.04	21.77

Financial Results for the three months ended September 30, 2008:

a) *Revenue:* During the third quarter of 2008, the Troy Mine delivered and sold 2.3 million pounds of payable copper and 252,587 ounces of payable silver in concentrate. The concentrate sales in the third quarter were at similar levels to that attained during the second quarter of 2008. Compared to the third quarter of 2007, sales volumes were much improved because production in the third quarter of 2007 was affected by the rock fall which occurred in July 2007. In the third quarter of 2007, the Company delivered and sold 1.6 million pounds of copper and 183,427 ounce of payable silver in concentrate. Total sales revenue during the third quarter of 2008 was $7.4 million compared to $9.1 million in the third quarter of 2007 and its decline is a result of a significant negative fair value adjustment to concentrate sales for which prices have not yet been finalized. During the third quarter of 2008 this fair value adjustment resulted in a reduction in revenue of $3.0 million and is due to the decline in the price of silver and copper between June and September. Correspondingly, during the third quarter of 2007, the fair value adjustment for shipments not yet finalized was an increase in revenue of $0.6 million. In the third quarter of 2008 the rapid decline in metal prices offset the increase in the physical sale of copper and silver in concentrate. During the three months ended September 30, 2008, the price of copper averaged $3.48 per pound (Q2.08-$3.83 per pound) and silver averaged $15.03 per ounce (Q2.08- $17.17 per ounce) compared to the copper price of $3.50 per pound in the third quarter of 2007 (Q2.07-$3.46 per pound). In 2007, silver averaged $12.43 and $13.34 per ounce in the third and second quarters respectively. The main factors which resulted in increased production and sales in 2008 compared to that in 2007 were: (i) an increase in mill throughput of 54% which was offset by a reduction in the grade of ore milled of 8% for copper and 2% for silver. However most importantly was the impact of the rapid decline in metal prices between June and September 2008. For example at June 30, 2008 the copper price closed at $3.98 per pound while at September 30, 2008 it closed at $2.91 per pound and silver likewise fell from $17.65 per ounce to $12.96 per ounce.

b) *Cost of Goods Sold:* The cost of goods sold associated with the third quarter revenue was $8.9 million, an increase of $1.8 million (25%) over the same period in 2007. Costs increased because of the increase of 54% in mill throughput and also because of higher labor expenditures, increased maintenance costs, increased parts and supplies costs (mostly in the drill and blast activities), and an increase in property and state mining taxes (the latter being a direct function of metal sales). On an operating cost basis, the cost per ton milled (calculated as mining costs per ton milled plus milling costs per ton milled plus mine indirect costs per ton milled) decreased to $26.65 per ton compared to $32.89 per ton in the third quarter of 2007. This decrease is purely a function of the increase in mill throughput. In the second quarter of 2008, operating costs per ton milled averaged $26.96 per ton.

c) *Depreciation and amortization:* For the third quarter of 2008, these non cash charges increased by $0.2 million (64%) over the third quarter of 2007 and are a direct function of the increase in mill throughput. The majority of the plant and equipment at Troy is depreciated using the units-of-production method and changes in tons processed will change the amount of depreciation and amortization expense for the period.

d) *Exploration and development:* Exploration and development expense decreased by $0.1 million due largely to a reduction in legal costs associated with defending the Rock Creek operating permits. Exploration at Troy during the third quarter was $0.1 million greater than during the third quarter of 2007.

e) *General and administration costs:* This cost increased by $1.1 million and this increase was due to cost associated with certain corporate development expenditures and the recognition of $0.9 million in severance costs.

f) *Accretion of reclamation and remediation liability:* The decrease in the reclamation accretion account was a result of the increase in the mine life at Troy, essentially accreting the remaining costs over a longer period of time.

g) *Income from operations:* The decrease in operating income of $4.7 million was largely the result of change in the fair value of the concentrate sales position which had not yet finalized and the $1.1 million increase in general and administrative expenditures previously discussed.

h) *Other Expenses:* For the third quarter of 2008, other income was a reduction in income of $0.1 million which reflected a foreign exchange loss on cash held in Canadian dollars.

i) *Income taxes:* For the three month period ended September 30, 2008, the Company estimated its income tax recovery at $0.8 million which effectively recognized the increase in net operating loss carry forwards for tax purposes.

j) *Non-controlling interest:* The non-controlling interest recovery of $1.1 million represents the after tax share of Revett Silver's losses attributable to the Class B shareholders of Revett Silver.

k) *Net earnings:* The Company recorded a net loss of $3.0 million or $0.04 per share for the third quarter. As discussed previously, this loss is almost entirely attributable to the change in the fair value of accounts receivable for concentrate sales which have not yet been finalized. For the third quarter of 2007 the company reported a net loss of $0.1 million or $0.00 per share.

Financial Results for the nine months ended September 30, 2008:

The table below illustrates certain key operating statistics for Troy (100% basis) for the nine months ended September 30, 2008, with a comparison to the same nine month period in 2007.

	Nine Months Ended September 30, 2008	**Nine Months Ended September 30, 2007**
Tons milled	953,257	896,078
Tons milled per day	3,492	3,282
Copper grade (%)	0.42	0.55
Silver grade (opt)	0.93	1.16
Copper recovery (%)	87.7	86.9
Silver recovery (%)	89.8	88.7
Copper produced (lbs)	7,068,049	8,546,489
Silver produced (ozs)	793,998	927,065
Copper sold (payable pounds)	6,710,570	7,921,160
Silver sold (payable ounces)	616,992	851,500

a) *Revenue:* During the nine months ended September 30, 2008, the Troy Mine delivered and sold 6.7 million pounds of payable copper and 616,992 ounces of payable silver in concentrate. This was a decrease for the first nine months of this year compared to the first nine months of 2007 due largely to the lower grade of ore milled offset by a 6% increase in mill throughput. In the first nine months of 2007, the Company delivered and sold 7.9 million pounds of payable copper and 851,500 ounce of payable silver in concentrate. Total sales revenue during the nine months ended September 30, 2008 was $32.8 million compared to $35.7 million for the first nine months of 2007. In 2008, the Company fair valued concentrate sales which had not yet finalized and the lower sales of physical metal resulted in the decrease in sales. However, prior to the end of the third quarter 2008, metal prices during 2008 exceeded those of 2007 on average. The Company received a higher sales price for both copper and silver for those shipments which were finalized during the year. During the nine months ended September 30, 2008 the price of copper averaged $3.62 per pound and silver averaged $16.63 per ounce compared to the copper price of $3.21 per pound and a silver price of $13.10 per ounce for the comparable period in 2007. The main factors which resulted in lower production and sales in 2008 compared to that in 2007 were: (i) a $3.0 million reduction in sales due to the Company fair valuing concentrate sales which are not yet finalized; and (ii) a reduction in the grade of copper and silver ore milled of 24% and 20%, respectively, These unfavorable factors were offset by higher recoveries of metal in the mill.

b) *Cost of Goods Sold:* The cost of goods sold associated with the revenue for the first nine months of 2008 was $26.7 million, an increase of $3.3 million (14.2%) over the same period in 2007. Costs increased because of higher labor expenditures, increased maintenance costs, increased parts and supplies costs, and an increase in property and state mining taxes. On an operating cost basis the cost per ton milled (calculated as mining costs per ton milled plus milling costs per ton milled plus mine indirect costs per ton milled) increased to $26.67 per ton compared to $24.51 per ton for the first nine months of 2007. The mine department was the only cost center that had costs which increased significantly on a year over year basis.

c) *Depreciation and amortization:* For the nine month period ended September 30, 2008, these non cash charges were $0.2 million higher than for the same period in 2007 because of the greater depreciable basis in plant and equipment.

d) *Exploration and development:* This expense item increased by $0.1 million because of increased legal expenses relating to the Rock Creek permits challenges. For the nine month period ending September 30, 2008 exploration spending was $0.3 million compared to $0.7 million for the comparable period in 2007.

e) *General and administration costs:* The increase $1.4 in corporate administration costs for the year to date was due to higher salary costs, an increase in corporate development activities and the accrual of severance costs of $0.9 million for one member of the senior management team.

f) *Accretion of reclamation and remediation liability:* The marginal decrease in the reclamation accretion account was a result of the increase in the mine life at Troy, essentially accreting the remaining costs over a longer period of time.

g) *Income from operations:* The reduction in concentrate production, and lower revenue due to the rapid decline in metal prices, resulted in the Company recording a loss of $2.0 million for income from operations, compared to income from operations of $5.9 million for the first nine months of 2007.

h) *Other Expenses:* For the first nine months of 2008, other expenses totaled $0.2 million versus other income of $1.3 million for 2007. The difference is largely due to sizable foreign exchange gains of $1.4 million recorded in 2007 contrasted with a foreign exchange loss of $0.3 million for 2008.

i) *Income taxes:* For the nine month period ended September 30, 2008, the Company recognized an income tax recovery of $0.7 million versus an expense of $0.9 million for the nine month period ended September 30, 2007 reflecting the recognition of the tax benefit of current period losses.

j) *Non-controlling interest:* The non-controlling interest charge for the earnings attributable to Revett Silver Company was effectively zero for 2008 versus a charge of $2.4 million for the nine months ended September 30, 2007.

k) *Net earnings:* The Company recorded a loss of $1.5 million net income or $0.02 per share for the nine months ended September 30, 2008 compared to net income of $3.9 million or $0.05 per share for the same period in 2007. The change in income can be attributed to increased production costs and falling copper and silver prices.

Summarized Financial Results by Quarter

	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2	2007 Q1	2006 Q4
Cu Prod'n (million lbs)	2.5	2.4	2.2	1.1	1.8	3.5	3.3	1.4
Ag Prod'n (000's ozs)	302	260	232	127	196	372	359	175
Total Sales (000's $)	7,430	13,337	12,034	3,130	9,136	15,903	10,716	4,041
Net Income (000's $)	(2,980)	75	1,407	(3,037)	(120)	3,727	301	(4,806)
EPS- Basic ($)	(0.04)	0.00	0.02	(0.04)	(0.00)	0.05	0.00	(0.07)
EPS- fully diluted ($)	(0.04)	0.00	0.02	(0.04)	(0.00)	0.05	0.00	(0.07)
Cash and Cash Equivalents & s/t Investments ending (000's $)	11,479	13,106	9,540	18,010	26,012	27,639	22,446	23,802
Total Assets, ending (000's $)	90,187	91,564	89,519	94,611	100,329	102,398	94,225	94,203
Total liabilities, ending (1) (000's $)	28,943	26,264	24,801	32,365	33,959	36,318	33,111	35,545
Total Equity, ending (000's $)	53,306	56,228	56,114	54,071	56,017	55,984	52,115	50,134

(1) excludes non-controlling interest

Financing Activities

Revett Silver had entered into the following contractual financial obligations (in thousands of USD):

Contractual obligations (100%)	**Total**	**Current portion**	**1 to 3 years**	**3 to 5 years**	**5 years or more**
Royalty obligation	1,503	1,503	-	-	-
Capital lease obligations	1,488	237	636	615	-
Operating leases	512	512			
Long term reclamation costs	13,320	-	-	-	13,320
Total contractual obligations	**16,823**	**2,252**	**636**	**615**	**13,320**

Liquidity and Capital Resources

The Company's liquidity position is directly related to the level of concentrate production, the cost of this production and the provisional and final prices received for the copper and silver in concentrate that is sold. At September 30, 2008, working capital was $6.7 million of which $11.5 million was cash and cash equivalents. However, at September 30, 2008 concentrate settlement payable was $3.7 million using the forward market price of copper and silver of approximately $2.90 per pound and $12.73 per ounce respectively. Further price declines in either metal will seriously erode the Company's cash and working capital position. At price levels of $2.00 per pound for copper and $10.0 per ounce for silver, the Company will run out of cash at or before year end unless alternative financing arrangements can be obtained. The Company is currently investigating a number of alternative means of raising additional capital. However, no assurance can be given that these efforts will prove to be successful. Given market conditions in early November, it is likely that it will be extremely difficult for the Company to raise sufficient external financing to meet the obligations it faces with respect to the amounts owing for final settlement on its concentrate sales. As of the date of this report, the Company had paid a total of $8.9 million on the Royal Gold 7% royalty obligation. This royalty is capped at total payments of $10.5 million.

Because of the Company's need to conserve cash, all discretionary capital spending and exploration spending has been placed on hold. Furthermore, the Company does not have sufficient cash to undertake any activities at Rock Creek, should a favorable ruling be obtained by the Judge respecting the environmental challenges brought against its operating permits.

Off Balance Sheet Arrangements

During 2002, Kennecott and Revett Silver agreed to amend the February 21, 2000 Asset Purchase and Sale Agreement pursuant to which Revett Silver acquired Kennecott's interest in Troy and Rock Creek. Among other things, the amendment granted Kennecott the right to acquire a 2% net smelter return royalty from the sale of metals from a defined area of the Company's Rock Creek property at any time until the later of: (i) one year after Rock Creek achieves 80% of designed commercial production capacity or, (ii) December 31, 2015. The amendment requires Kennecott to surrender the 2,250,000 shares of Revett Silver's common stock previously issued as part of the original Purchase and Sale Agreement in exchange for this royalty. The royalty terminates upon Kennecott's recovery of $8 million in total royalty payments, plus an adjustment related to changes in the consumer price index.

In October 2004, Revett Silver sold Royal Gold 1,333,333 common shares for gross proceeds of $1.0 million. Royal Gold has the right to convert these common shares into a perpetual, non-participating 1% net smelter return royalty from production from Rock Creek. This conversion must be made within a specified period of time after the Company makes a decision to develop Rock Creek. In February 2008, this note was acquired by Revett Minerals for face value and the Company received an assignment of the mortgages on the Troy and Rock Creek properties which secured this note.

Related Party Transactions

There were no related party transactions during the first nine months of 2008.

Principal Risks and Uncertainties

Revett Minerals is a very risky and speculative investment, for many reasons, and the following risk factors should be carefully considered in evaluating it. In addition, this report contains forward-looking statements that involve known and unknown risks and uncertainties. These forward-looking statements include statements of our plans, objectives, expectations and intentions. Actual results could differ from those discussed in the forward-looking statements as a result of certain factors, including those set forth below. You should carefully consider the risks and uncertainties described below and the other information in this report before investing.

Liquidity and ability to Continue as a Going Concern. The sale of copper concentrate involves invoicing at past metal prices and then in months following, the final payment received is adjusted for final weights and assays and for metal prices that exist during the month of final settlement. As metal prices rise, the Company generally recognizes the benefit of rising prices by recognizing an increase in revenue as compared to the original invoice prepared at the date of the sale. However, during periods of falling metal prices the converse is true and the Company will be required to reduce revenue and return money to its customers that it had received in prior periods. The Company has a substantial amount of copper and silver in concentrate which is subject to this future pricing mechanism. The magnitude of the metal subject to change could be between 20% and 40% of annual sales. Therefore a dramatic decline in the metal prices could have a material effect of the Company's earnings and cash balances. If the prices fall quickly and far enough the Company may not have sufficient current period sales to generate sufficient cash to maintain operations and refund the money owed to its customers arising from this final pricing mechanism.

Copper and silver prices fluctuate markedly. The viability of our operations are significantly influenced by the price of copper and silver. Copper and silver prices fluctuate widely and are affected by numerous factors that are beyond our control, such as inflation, the strength of the United States dollar relative to foreign currencies, global and regional demand, commodity funds and speculators and the political and economic conditions of major producing countries throughout the world. Since 1990, world average annual copper prices fluctuated from a low of $0.71 per pound in 2002 to a high of $3.23 per pound in 2007, and world average annual silver prices fluctuated from a low of $3.95 per ounce in 1992 to a high of $13.38 per ounce in 2007. In 2008, the volatility in metal prices was evident as the spot copper price ranged between $4.00 per pound in July and $1.60 per pound in October. The spot silver was likewise extremely volatile ranging between a high of $20.92 per ounce in March and $8.88 per ounce in October. Furthermore, as both of these metals are used in industrial activities a sustained slowdown in economic activity would likely result in further downward pressure on prices.

General Economic Conditions and Financial Instability. Over the past three months, we have witnessed the collapse or near collapse of a number of leading financial institutions both in the United States and abroad. Governments have been forced to inject massive amounts of money into the financial system to provide liquidity for many different types of financial institutions. Unfortunately, banks and other investors have not yet been willing to provide liquidity to many needy businesses. This will make raising capital for companies the size of Revett extremely difficult. Whether or not the efforts by central banks will restore some level of normalcy to the financial markets is impossible to predict. In addition, we have experience a massive flight to liquidity as the vast majority of market participants fear their counterparties may collapse. As a result of these expectations, there has been a massive sell off of commodities creating extreme volatility in commodity markets, making it nearly impossible to accurately predict future metal prices. This near financial collapse has also raised expectations for the possibility of a slowdown or contraction in global economy. These expectations have resulted in a reduction in consumption and an increase in the expectation that metal consumption will fall further. These beliefs have resulted in additional downward pressure on the prices of copper and silver.

Currency fluctuations will affect our competitiveness. The price of copper and silver are denominated in U.S. dollars even though most production originates in countries whose currencies are independently valued. Fluctuations in the value of the U.S. dollar relative to the values of these host country currencies could affect the competitiveness of our operations.

Environmental challenges could prevent us from ever developing Rock Creek. Our proposed development of Rock Creek has been challenged on environmental grounds by several regional and national environmental organizations at various times subsequent to the Forest Service's issuance of an administrative record of decision approving our plan of operation in 2003. Some of these challenges are substantial and ongoing, and allege violations of the procedural and substantive requirements of a variety of federal and state laws and regulations pertaining to our permitting activities at Rock Creek, including ESA, NEPA, the 1872 Mining Law, the Federal Land Policy Management Act, the Wilderness Act, the National Forest Management Act, the Clean Water Act, the Forest Service Organic Act of 1897, and the Administrative Procedural Act. Although we have generally been successful in addressing most of the environmental challenges to our operations, we cannot predict with any degree of certainty how the pending challenges will be resolved. Rock Creek is potentially the more significant of our two mining assets. Continued court challenges to the record of decision and its accompanying biological opinion will inevitably delay us from proceeding with our planned development, and a successful challenge to either could prevent us from developing the project at all. If we are successful in defending these challenges, we still must comply with a number of requirements and conditions as development progresses, failing which we could be denied the ability to continue with our proposed activities at Rock Creek.

Our reclamation liability at Troy could be substantial. When Troy was acquired, we agreed to indemnify ASARCO and hold it harmless from all of the liabilities associated with the reclamation, restoration and closure of the mine. This entailed our procurement of a $12.6 million performance bond to ensure that sufficient funds would be available to meet these obligations, and our subsequent agreement with the DEQ to increase the amount of the bond by $338,000 in December 2008. We are currently preparing a revised reclamation and restoration plan for Troy, which, when completed, may result in changes to the estimated reclamation and restoration costs and the amount of the performance bond. One of the key issues that has yet to be resolved is the extent to which we may be required to treat water from Troy after mining operations have ceased. Another issue is whether we are required to prepare and file an EIS in conjunction with any action taken with respect to our revised reclamation plan. We have advised the DEQ that we will fund the cost of an EIS, but believe the study should be postponed until such time as mining operations at Troy are actually projected to cease and more current information concerning the scope of any required remediation is known. We do not presently know whether our revised plan will actually result in increased reclamation and restoration costs at Troy. Laws governing the closure of mining operations in Montana have become more stringent since Troy was first placed into production, and in the case of Troy, could include provisions requiring us to perpetually treat all of the discharged water from the mine. These factors could result in the imposition of a higher performance bond. Further, our reclamation and restoration liability at Troy is not limited by the amount of the performance bond itself. The bond serves only as security for the payment of these obligations; any substantial increase in actual costs over and above the amount of the bond would necessarily be borne by the Company. Payment of such costs could have a material adverse effect on its financial condition.

We have a limited operating history and had losses in prior years. We have been engaged in commercial mining operations at Troy for just over three years and have not yet attained a significant level of earnings. In the 2007 fiscal year, we earned approximately $0.9 million on revenues of approximately $39 million. In the 2006 fiscal year, we incurred a loss of approximately $1.7 million on revenues of approximately $31.4 million, and in the fiscal 2005 year we incurred a loss of approximately $2.9 million on revenues of approximately $21.1 million. Our losses in 2006 and 2005 were partially attributable to the fact that production levels at Troy have not attained projected levels due to geotechnical problems, a shortage of skilled employees, problems in obtaining necessary repair parts for its equipment, and other factors common to underground hard rock mining operations. This ongoing shortfall in production, which has yet to be rectified, has resulted in higher than anticipated operating costs. All of this is against the backdrop of extremely volatile metal prices.

We presently do not have the financial resources to develop Rock Creek. At September 30, 2008 we had cash and cash equivalents and short term investments of approximately $11.5 million. We do not believe that we have sufficient funds available to undertake any meaningful activity at Rock Creek unless alternative financial arrangements can be made.

The Rock Creek mineral resources are not equivalent to reserves. Our annual Form 10-K includes information concerning our estimated size of the mineral resource at Rock Creek and the amount of ore that may be produced from the project were it to be developed. Since no ore has been produced from Rock Creek, these estimates are preliminary in nature. And although we believe these amounts are significant, it does not mean the mineral resource can be economically mined. A mineral resource is not equivalent to a commercially mineable ore body or “proven reserves” or “probable reserves” under standards promulgated by the United States Securities and Exchange Commission (the “SEC”), principally because they are less certain and not necessarily amenable to economic development. We will not be able to determine whether Rock Creek contains a commercially mineable ore body until our evaluation program has been completed and we have obtained a final, economic and technical feasibility study that will include an analysis of the amount of ore that can be economically produced under then-prevailing market conditions. Investors are cautioned not to assume that our mineral resource estimates for Rock Creek will ever be converted into reserves.

Non-U.S. persons owning our stock could be subject to U.S. taxes if we are treated as a United States company. Section 7874 of the Internal Revenue Code of 1986, as amended (the “Code”), provides that, under certain instances, a non-U.S. corporation such as Revett Minerals could be treated as a U.S corporation for U.S. tax purposes. A consequence of this treatment for non-U.S. persons owning common stock of such a corporation is that they could be subject to U.S. tax on any gain they receive from the sale of such stock unless they qualify for a statutory exemption. Was this to occur, it is unlikely that this potential U.S. tax liability would be credited against the shareholder’s tax liability in his or her country of domicile, meaning that the shareholder would likely suffer double taxation on any such gain. Management does not believe Revett Minerals will be treated as a U.S. corporation for tax purposes, but cannot offer any assurance that such treatment would not occur. There is presently uncertainty surrounding the interpretation of Section 7874. The Internal Revenue Service could challenge Revett Minerals’ interpretation of the guidance that has been provided to date, or it could write implementing regulations that differ from that guidance.

There are other formidable risks to mining. We are subject to all of the risks inherent in the mining industry, including industrial accidents, labor disputes, unusual or unexpected geologic formations, cave-ins, surface subsidence, flooding, power disruptions and periodic interruptions due to inclement weather. These risks could result in damage to or destruction of its mineral properties and production facilities, personal injury, environmental damage, delays, monetary losses and legal liability. We do not maintain insurance covering environmental or other catastrophic liabilities, and we do not expect to procure such insurance unless and until it is economically feasible to do so. Insurance against environmental risks (including pollution or other hazards resulting from the disposal of waste products generated from exploration and production activities) is generally not available. In addition, we are subject to competition for new minerals properties, management and skilled miners from other mining companies, many of which have significantly greater resources than we do. We also have no control over changes in governmental regulation of mining activities, the speculative nature of mineral exploration and development, operating hazards, fluctuating metals prices, and inflation and other economic conditions.

Recently Adopted Accounting Standards

On January 1, 2008, the Company adopted SFAS no. 159, "The Fair Value Option for Financial Assets and Financial Liabilities" (SFAS 159), which permitted entities to choose to measure many financial assets and financial liabilities at fair value. Unrealized gains on items for which the fair value option has been elected are to be reported in earnings. The Company did not adopt the fair value option.

On January 1, 2008, the Company adopted SFAS no. 157, "Fair Value Measurements, (SFAS 157). SFAS 157 established a framework for measuring fair value and expands disclosure about fair value measurements, but does not require any new fair value measurements. The adoption of SFAS No. 157 did not materially effect the presentation and disclosure in the Company's financial statements.

On January 1, 2008, the Company adopted The Canadian Institute of Chartered Accountants ("CICA") section 1535- "*Capital Disclosures*". This section establishes standards for disclosure concerning a company's objectives, policies and processes for managing capital. The required disclosure is contained in note 7 (a) to the financial statements.

On January 1, 2008, the Company adopted CICA section 3862- *Financial Instruments-Disclosures* and section 3863 *Financial Instruments- Presentation*, which together comprise a complete set of disclosure and presentation requirements that revise and enhance current disclosure obligations. Section 3862 requires disclosure of additional detail by financial asset and liability categories. Section 3863 establishes standards for presentation of financial instruments and non-financial derivatives. The standard deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and liabilities are offset. The required disclosure is in note 10 to the financial statements.

On January 1, 2008, the Company adopted CICA section 3031- *Inventories,* which provides guidance on the measurement, presentation and disclosure requirements for inventories. This pronouncement requires inventories to be measured at the lower of cost and net realizable value and provides guidance on the determination of cost and its subsequent recognition as an expense, including any write-down to net realizable value. In certain circumstances this section also requires that previous write downs be reversed. Previously, the Company valued materials and supplies inventory at the lower of cost or replacement cost and a write up of inventory was not permitted This section has been applied retroactively without restatement of prior periods but the adoption of this section did not result in any adjustments to opening deficit. The required disclosure is in note 3 to the financial statements.

Recently Issued Accounting Pronouncements

In June 2008, the EITF reached a conclusion that an equity-linked financial instrument would not be considered indexed to the Company's own stock if the strike price is denominated in a currency other than the issuer's functional currency. The determination of whether an equity-linked financial instrument is indexed to an entities own stock is not affected by the currency or currencies in which the underlying shares trade. This guidance is effective beginning for financial statements beginning on January 1, 2009. The Company is presently evaluating the effect this guidance will have on its financial statements.

In February 2008, the Canadian Accounting Standards Board confirmed that Canadian public companies will be required to adopt International Reporting Standards ("IFRS") for fiscal years beginning on or after January 1, 2011. The adoption of IFRS will require the Company to change certain accounting policies, accounting systems, internal controls over financial reporting and disclosure. The Company is in the process of evaluating the impact of adopting IFRS for its financial statements and will need to invest substantial time and money to complete the conversion.

Financial Instruments, Hedging Activities and Other Instruments

The Company fair values its forward sales contracts and the amount of silver and copper in concentrate for which final settlement has not occurred. At each month end, the Company adjusts its revenue to account for expected future prices and the corresponding expected future revenue and cash flow. In order to do this, the Company must make estimates of the future prices expected to prevail when final settlement occurs. The Company uses future contract prices at each month end to estimate these expected prices. At September 30, 2008 the Company had 3.4 million pounds of copper and 365,957 ounces of silver with prices not yet fixed. The fair value revenue adjustment was a liability of $3.7 million. Considerable judgment is required to interpret market data and to develop the estimates of fair value for future periods. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company will realize in such future periods.

At September 30, 2008, the Company had the following forward sales contracts outstanding. During the forth quarter of 2008, Company had sold a total of 0.3 million pounds at an average price of $3.73 per pound. The fair value of these forward contacts at September 30, 2008 was an asset of $0.27 million which was recorded in accounts receivable.

Forward Looking Statements

With the exception of historical matters, the matters discussed in this report are forward- looking statements that involve risk and uncertainties that could cause actual results to differ materially from projections or estimates contained herein. The words "believe", "estimate", "anticipate', "expect", and "project" and similar expressions are included to identify forward-looking statements. Such forward looking-statements include statements regarding future production levels and operating costs at the Troy mine, future levels of capital expenditures at both Troy and Rock Creek, the reserve and resource estimates at both Troy and Rock Creek, the adequacy of the financial resources and funds to cover operating and exploration costs at Troy and the cost of exploration at Rock Creek, the timing of certain litigation activities which have delayed exploration activities at Rock Creek, the adequacy of third part financing to complete certain corporate development activities, and the expectation that the Troy mine will be able to generate positive cash flow in future periods. Factors that could cause actual results to differ materially from these forward looking statements include, among others:

- changes in copper and silver prices;
- final settlement owing or receivable from concentrate sales;
- the operating performance of the Troy mine;
- geological conditions at the Troy mine;
- the need for copper concentrate by copper smelters and the costs associated with selling such concentrate to the smelters;
- the ability of the Company to complete exploration activities at the Rock Creek project;
- activities of certain environmental groups opposed to the Company's activities in the United States;
- changes in the planned Rock Creek project parameters;
- changes in estimates of the reserves and resources at all the properties owned or controlled by the Company;
- economic and market conditions;
- future financial needs and the Company's ability to secure such financing under reasonable terms and conditions;
- changes in federal or state legislation and regulations governing our operations and projects;
- risks of future unknown lawsuits respecting future planned activities on our projects or past activities by the Company.

as well as other factors described in our annual Form 10-K and the various regulatory filings done with United States and Canadian and provincial regulatory bodies which are available in Canada at www.sedar.com or in the United States on EDGAR. Future events and actual results could differ materially from those set forth in, contemplated by, or underlying the forward-looking statements. Most of these factors are beyond our ability to predict or control. Future events and actual results could differ materially from those set forth in, contemplated by, or underlying the forward looking statements. We disclaim any obligation to update any forward-looking statement made here-in. Readers are cautioned not to put undue reliance on forward looking statements.

Quantitative and Qualitative Disclosures About Market Risk

Our earnings and cash flow are significantly affected by changes in the market price of copper and silver. The prices of both metals can fluctuate widely and are influenced by numerous factors such as demand, production levels, the economic policies of central banks, producer and fund hedging, world political and economic events and the strength of the US dollar relative to other currencies. During the past eighteen years the average annual price of copper has ranged from a low of $0.71 per pound to a high of $3.23 per pound. Average annual silver prices over this same period have ranged from a low of $3.95 per ounce to a high of $13.38. The recent financial and economic turmoil has seen the price of both copper and silver fall to levels less than one-half of the highs seen in this year alone. Furthermore, because of the uncertainty in forecasting future financial and economic conditions the Company is unable to provide any guidance respecting future price levels or even if the price of copper and silver will fall to levels which will require the Company to cease operations at Troy. Should the price of copper or silver decline substantially, the value of Troy and Rock Creek could fall dramatically and the continued existence of the Company could be at risk.

As at September 30, 2008 the closing price of copper was $2.91 per pound and silver was $12.96 per ounce. There for a 10% change in the price of both metals would change earnings and cash flow by approximately $1.5 million.

During the nine moths ended September 30, 2008 concentrate shipments totaling 5.6 million pounds of copper and 588,193 ounces of silver were finalized plus at the end of September concentrate shipments totaling 3.4 million pounds of copper plus 365,957 ounces of silver remain subject to finalization. Therefore a 10% change in the year to date price of copper (assuming the year to date average of $3.62 per pound) would have changed revenue by total of $3.2 million and a 10% change in the year to date price of silver (assuming the year to date average of $16.63) would have changed revenue by $1.6 million.

A substantial portion of the Company's cash and short term investments are invested in certificates of deposit or high quality government and corporate fixed income securities, all of which are denominated in US dollars. With the uncertainty in the financial markets the value of these fixed income securities could change materially. Approximately $3.2 million of the Company's short term investments are in savings deposits or in the form of certificates of deposit issued by the a major Canadian chartered bank and are denominated in Canadian dollars which exposes the Company to some foreign exchange risk. A 10% change in the us an Canadian dollar foreign exchange rate would affect the value of the Canadian dollars held by the Company by approximately $0.3 million.

Controls and Procedures

Management of the Company is responsible for adopting an internal control system that gives it and the board of directors reasonable assurance that the Company's financial statements present fairly its financial position and activities. Management is also responsible for establishing and maintaining disclosure controls and procedures that provide reasonable assurance the material information concerning the Company and its consolidated subsidiaries is appropriately disclosed.

Disclosure Controls and Procedures. The Company's disclosure controls and procedures are designed to ensure that information the Company is required to disclose in its periodic reports and other information filed under the Securities Exchange Act, as amended ("the Exchange Act") is recorded, processed, summarized and accurately reported within the time periods prescribed by the Securities and Exchange Commission's rules. They include, without limitation, controls and procedures designed to ensure that such information is accumulated and promptly communicated to the Company's management, including its chief executive office, its chief financial officer and other principal accounting officers, so such persons can make timely decisions regarding disclosure.

The Company evaluated the effectiveness of the design and operation of its disclosure controls and procedures as required by Exchange Act Rules 13 (a) - 15 (e) and 15 (d) – 15 (e). This evaluation was performed under the supervision and with the participation of its management, including the chief executive officer and its chief financial officer. Based upon this evaluation, the chief executive officer and the chief financial officer concluded that the design and operation of the Company's disclosure controls and procedures are effective as at September 30, 2008 to ensure that information required to be disclosed by us in reports that we file under the Exchange Act, is gathered, reported, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and is accumulated and communicated to management of Revett Minerals, including the CEO and CFO, to allow timely decisions regarding required disclosure as specified under U.S. and Canadian securities laws.

Internal Controls over Financial Reporting**.** Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Act of 1934. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of our financial reporting and preparation of our financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that: pertain to the maintenance of records that in reasonable detail accurately and fairly reflect our transactions and disposition of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of our financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of our assets are being made only in accordance with the authorizations of management and directors; and provided reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or disposition of assets that could have a material effect on our financial statements. Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to risk that controls may become inadequate because of changes in conditions or that degree of compliance with the policies and procedures may deteriorate.

As permitted by the transitional period established by the Securities and Exchange Commission (Item 308T), the Company has not yet completed, in its entirety, its evaluation as to whether internal controls over financial reporting are effective. Our evaluation has been on-going since mid 2007 and we expect to complete it in 2008.

Changes in Internal Controls. During the first nine months of 2008, there were no changes in internal controls from the prior year.

Legal proceedings

The Company and certain of its subsidiaries are parties to several pending legal actions in the federal and state courts in Montana as of the date of this report, all of which are predicated on alleged violations of various federal and state environmental laws and regulations at Troy and Rock Creek.

Troy-Related Actions.

<u>Cabinet Resource Group, Inc. v. Montana Department of Environmental Quality, Revett Minerals Inc. and Genesis Inc., Montana Nineteenth Judicial District Court in and for Lincoln County (Case No. DV-07-118)</u>. This action was brought in 2007. The plaintiff, a regional environmental organization, alleges that Genesis, Inc. is operating Troy in violation of the Metal Mine Reclamation Act ("MMRA") because of deficiencies in its reclamation plan, and that all of the defendants have violated the Montana constitution and various state statutes and regulations by allowing such operations to continue. The plaintiff seeks a declaration that the Troy operating permit and reclamation plan are void and invalid; alternatively, it seeks a writ of mandamus from the court requiring DEQ to enforce the MMRA and presumably suspend or revoke the operating permit, declare a forfeiture of the Company's performance bond, and enjoin the Company from further operations at Troy pending approval of a reclamation plan. The plaintiff also alleges that

DEQ has failed to maintain a clean and healthful environment, in violation of the Montana constitution.

The Company has answered the complaint and asserted several affirmative defenses to plaintiff's claims. It has also filed a motion seeking to dismiss Revett Minerals on the grounds that it does not do business in Montana. Discovery has been substantially completed, although no trial date has been set. The court has indicated that it will not set a trial date until DEQ has completed its required review of the reclamation plan. The Company is engaged in ongoing discussions with DEQ concerning proposed revisions to the existing reclamation plan and increased performance bond requirements, and therefore believes the claim is without merit.

In re ASARCO, LLC et al., Debtor: ASARCO, LLC, Plaintiff v. Revett Silver Company and Genesis, Inc., United States Bankruptcy Court for the Southern District of Texas, Corpus Christi Division (Bankruptcy Case No. 05-21207). This action seeks to void the July 2002 and May 2004 amendments to Revett Silver's purchase agreement with ASARCO. It also seeks a judgment in an amount equal to the value ceded by these amendments. Importantly, the action does not challenge the provisions of the original agreement that resulted in ASARCO's transfer of its interests in the Troy mine and the Rock Creek project to us.

The amendments pertain to the amount we owed ASARCO under the original purchase agreement and the manner in which we were to have paid that amount. Specifically, the amendments resulted in the issuance of additional shares of our common stock to ASARCO in exchange for its cancellation of a production debt obligation and certain share price guaranties in the original purchase agreement. Plaintiff contends that the amendments constitute fraudulent transfers under applicable federal and state law because ASARCO was insolvent at the time and received insufficient or no value under the amendments. Although this action was commenced in 2007, neither Revett Silver nor Genesis, Inc. had been served as of the date of this report.

Rock Creek-Related Actions.

Clark Fork Coalition, Rock Creek Alliance, Inc, Cabinet Resource Group, Inc., Montana Environmental Information Center, Inc. and Trout Unlimited v. Montana Department of Environmental Quality, Montana First Judicial District Court in and for Lewis and Clark County (Cause No. BDV-2002-70). This action was brought in 2002 challenging DEQ's issuance of a Montana Pollution Discharge Elimination System ("MPDES") permit pertaining to prospective wastewater and mine drainage from the proposed Rock Creek project. The plaintiffs contend the permit was arbitrarily issued because DEQ did not perform the required non-degradation review and did not ensure that surface waters designated as Outstanding Water Resources within the Cabinet Mountains Wilderness Area would not be degraded by the proposed project. The plaintiffs also allege that the proposed reclamation plan for Rock Creek fails to provide for the reclamation of lands within the wilderness area that may be damaged by subsidence or other disturbances, all in violation of MMRA and the Montana Water Quality Act, and that the permitted discharges violate the constitutional rights of Montana citizens to a clean and healthy environment.

In February 2005, the parties stipulated to a dismissal of the constitutional, MMRA and Outstanding Water Resources claims, without prejudice. In March 2006, the district court entered summary judgment against the plaintiffs on their claim that the MPDES permit as to Outfall 001 and 004 violated the Montana Water Quality Act and the state's constitution. However, it did find that those portions of the MPDES permit covering Outfall 002 (the area in which a proposed paste facility would be constructed) violated the act and the constitution since it allows an increase in arsenic levels below the outfall, and was therefore void. The court concluded by noting that its decision does not mean Rock Creek could not go forward, only that the MPDES permit needed to be revised in light of its ruling. The Company had commenced the required revision of the MPDES permit before the court's ruling was issued, as part of its statutorily-required five-year review process, and management is confident that the issues with the Outfall 002 can be successfully resolved.

In May 2007, the plaintiffs filed an appeal with the Montana Supreme Court, contending that the district court's March 2006 summary judgment was incorrect in not invalidating the MPDES permit entirely, and asking the court to do so on constitutional grounds. Oral arguments have been heard respecting the plaintiffs appeal, but no decision has been rendered as of the date of this report.

<u>Rock Creek Alliance, Clark Fork Coalition, Cabinet Resource Group, Inc., Montana Wilderness Association, Earthworks, and Alliance for the Wild Rockies, Plaintiffs, v. United States Forest Service, U.S. Department of Agriculture, Tom Tidwell, in his official capacity as Regional Forester for the Northern Region, Paul Bradford, in his official capacity as Forest Supervisor of the Kootenai National Forest, and Ed Schaffer, in his official capacity as Secretary of the U.S. Department of Agriculture, Defendants, United States District Court for the District of Montana, Missoula Division, Case No. CV-05-107-M-DWM</u>. This action was originally filed in June 2005 and was superseded by an amended complaint filed in February 2008. Plaintiffs seek injunctive and declaratory relief against the defendants, claiming they unlawfully approved the record of decision, plan of operations, and the final EIS for Rock Creek. In addition, plaintiffs challenge the findings of a determination letter issued by the Forest Service and three supplemental information reports issued by the Kootenai National Forest in December 2007. They allege violations of the ESA, NEPA, the National Forest Management Act, the Clean Water Act, the Forest Service Organic Administration Act of 1897, the Administrative Procedure Act, and various implementing regulations adopted under these statutes. Revett Silver petitioned the court and was granted intervener status in October 2005.

This action has twice been stayed. The first stay was ordered in 2005 pending resolution of a challenge to the USFWS's May 2003 biological opinion in a separate lawsuit in the United States District Court for the District of Montana entitled *Rock Creek Alliance v. U.S. Fish and Wildlife Service*, CV 01-152-M-DWM. That lawsuit has now been concluded and resulted in the issuance of a revised biological opinion in October 2006, which concluded that development of Rock Creek would not likely to jeopardize the continued existence of grizzly bears or bull trout, each of which is listed as a threatened species under the ESA, nor adversely modify critical habitat of these species. The second stay was ordered in November 2006 pending a Forest Service determination as to whether the Company's plan of operations at Rock Creek needed to be modified. The Forest Service's December 2007 supplemental information reports did not mandate any changes to the plan of operations of the final EIS.

All parties to this dispute filed briefs, replies and responses on June 4, 2008 as required by the court and all are awaiting the court's ruling. An adverse ruling could delay or even prevent the Company from proceeding with its proposed activities at Rock Creek.

<u>Rock Creek Alliance, Cabinet Resource Group, Sierra Club, Alliance For The Wild Rockies, Natural Resource Defense Council, Trout Unlimited, Earthworks, Idaho Counsel of Trout Unlimited, Pacific Rivers Counsel and Great Old Broads For Wilderness v United States Fish and Wildlife Service, United States District Court for the District of Montana, Missoula Division, case No. CV-08-28-M-DWM.</u> This lawsuit was filed in February 2008 after the US Fish and Wildlife Service reaffirmed the conclusions reached in its revised October 2006 biological opinion—namely, that Rock Creek would not jeopardize the continued existence of the grizzly bear or bull trout in the vicinity of the proposed mine. The plaintiffs contend that the conclusions reached by the USFWS ignored the best available science and were arbitrary, capricious, and an

abuse of discretion in violation of the ESA and the Administrative Procedural Act. The Company has intervened in this matter as a defendant and this case has been consolidated with the above described actions. The court has been fully briefed on the issues pending in this action and the parties are waiting for the court's decision.

Management's Analysis of Actions pertaining to the Record of Decision and Biological Opinion. Management cannot predict with any degree of certainty whether the Company will be successful in defending the pending legal challenges to the Forest Service's record of decision and the Fish and Wildlife Service's revised biological opinion. The issues presented by these challenges are complex and involve agency actions, procedures and determinations that the Company may influence but not control. The February 2008 amendment to the lawsuit petition challenging the USFWS's revised biological opinion is particularly difficult to analyze at this time, since it simply challenges the scientific studies and evidence reached by the responsible agencies. It is also confusing in light of the conclusions that were reached in earlier challenges to the biological opinions, including an agency-approved agreed mitigation plan that addresses concerns about Rock Creek's affect on grizzly bear habitat and migration corridors in the project area.

The validity of the USFWS's various studies and analyses has been a recurrent theme in prior environmental challenges to the Rock Creek biological opinions. Consequently, management of the Company anticipates that, should the petitioners ultimately commence an action challenging the revised opinion, they will again contend that these studies and analyses are flawed or ignore the best available science.

Management's ability to predict the outcome of these challenges is further complicated by the fact that Rock Creek is one of two proposed mining projects in the Cabinet Mountains Wilderness Area, the other being the Montenore project being developed by Mines Management, Inc., a junior mining company based in Spokane, Washington. Although the pending actions are specific to Rock Creek, it is only because development of Rock Creek has proceeded to the point where the jurisdictional agencies have either issued permits or taken other administrative actions that invoke legal challenges. The prospective cumulative effect of two mining projects within the Cabinet Mountains Wilderness Area is an implicit factor in these pending actions, in management's opinion, this despite the fact that the Montenore project faces substantial hurdles and, at this point, may not be developed in the foreseeable future.

Management anticipates that, even if the revised biological opinion is upheld, it will result in some modification of the Forest Service's record of decision, which could in turn affect the Rock Creek plan of operation. Regardless, unless and until they are favorably resolved, these challenges could delay the Company's planned evaluation program at Rock Creek and may make it more difficult to obtain the financing needed to fund commercial development. Even if the Company is ultimately successful in defending these challenges, it still must comply with a number of requirements and conditions as development of Rock Creek progresses, failing which it could be denied the ability to continue.

Other Actions and Proceedings.

Frank D. Duval and Janice E. Duval v. Revett Silver Company (Spokane County, Washington Superior Court). This action was brought in August 2007 to compel Revett Silver to redeem shares of Revett Silver Class B common stock that the Duvals allegedly tendered for redemption at various times in 2007 and 2008. Frank Duval is a co-founder of Revett Silver and previously served as a director and executive officer of the company. Janice Duval, his spouse, also previously served as an executive officer of Revett Silver. The plaintiffs allege that Revett Silver has a contractual obligation to redeem their shares pursuant to the terms of the amended and restated articles of incorporation, not withstanding the fact that such redemption could cause Revett Minerals to be treated as a U.S. corporation for U.S. tax purposes. (See the section of this report entitled "Risk Factors-Non U.S. persons owning our stock could be subject to U.S. taxes if we are treated as a U.S. company.") We have filed an answer to the complaint, including counterclaims against the Duvals. Discovery in the matter is proceeding.

Federal Mine Safety and Health Act Violations and Related Matters. The federal Mine Safety and Health Administration ("MSHA") issued a number of safety related citations against a subsidiary at various times between August 2007 and November 2008. These citations related to a rock fall which occurred at Troy on July 30, 2007 and certain other matters. Three of these citations allege the subsidiary company was negligent with respect to certain operations or activities conducted while mining and two citations allege the subsidiary acted in reckless disregard for the safety of the employees at the mine. As of the date of this report, the Company has potential fines totaling $0.7 million outstanding and it has established an accrual of $0.3 million. The Company disputes the allegations and rational for the determination of the fines put forth by MSHA and is in the process of appealing the findings and fines. The Company will vigorously defend itself in court, if necessary.