ABACUS MINING & EXPLORATION CORPORATION

FINANCIAL STATEMENTS

March 31, 2006

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited consolidated interim financial statements have been prepared by management and approved by the Audit Committee and Board of Directors.

The Company’s independent auditors have not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim statements by an entity’s auditors.

ABACUS MINING & EXPLORATION CORPORATION
Balance Sheets
(Prepared by Management)

	March 31, 2006 (Unaudited)	December 31, 2005 (Audited)
Assets		
Current		
Cash and cash equivalents	$ 7,645,953	$ 271,566
Cash held for flow-through expenditures	3,087,653	900,000
Marketable securities	1,001	1,001
Accounts receivable	160,548	188,219
Loan receivable (note 3(c))	318,629	314,733
Advances to contractor	-	24,862
Prepaid expenses	1,080	1,400
	11,214,864	1,701,781
Mineral Interests (notes 3)	16,804,768	13,467,495
Equipment (note 4)	50,868	26,584
Reclamation Deposits	23,272	23,272
	$ 28,093,772	$ 15,219,132
Liabilities		
Current		
Accounts payable and accrued liabilities	$ 150,316	$ 196,670
Loans payable (notes 5(c)	-	464,968
	150,316	661,638
Shareholders' Equity		
Capital Stock (note 5)	49,406,713	35,837,507
Option Compensation (note 5(f))	991,731	904,352
Deficit	(22,454,988)	(22,184,365)
	27,943,456	14,557,494
	$ 28,093,772	$ 15,219,132

Nature of Operations (note 1)
Subsequent Events (note 10)

Approved by the Board:

"Douglas A. Fulcher"
………………………………………………. Director
Douglas A. Fulcher

"J. Patrick Nicol"
………………………………………………. Director
J. Patrick Nicol

ABACUS MINING & EXPLORATION CORPORATION
Statements of Operations and Deficit
For the Three Months Ended March 31
(Unaudited – Prepared by Management)

		2006	2005
General and Administrative Expenses			
Stock-based compensation	$	87,379	144,036
Travel		71,568	40,123
Consulting		23,500	49,500
Interest on financing (notes 5(c))		3,822	-
Salaries and benefits		32,844	18,200
Regulatory fees		11,663	14,287
Legal		63,529	5,536
Rent		8,589	5,492
Accounting and audit		-	1,500
Office and miscellaneous		4,897	6,649
Management fees		4,500	4,500
Transfer agent fees		5,500	3,059
Investor relations		-	6,000
Telephone		991	1,191
General exploration		-	-
Amortization		2,518	1,914
Less: Interest income		(50,677)	(2,301)
Expense recoveries		-	(388)
Loss For the Period		270,623	299,298
Deficit, Beginning of Year		22,184,365	21,093,763
Deficit, End of Year	$	22,454,988	21,393,061
Loss Per Share		$ 0.00	$ 0.01

ABACUS MINING & EXPLORATION CORPORATION
Statements of Cash Flows
For the Three Months Ended March 31
(Unaudited – Prepared by Management)

	2006	2005
Operating Activities		
Loss for the year	$ (270,623)	$ (299,298)
Items not involving cash		
Amortization	2,518	1,914
Stock-based compensation	87,379	144,036
Interest on financing (note 5(c))	3,822	-
Operating Cash Flow	(176,904)	(153,348)
Changes in Non-Cash Working Capital Items		
Accounts receivable	27,391	86,090
Prepaid expenses	600	(4,401)
Loan receivable	(3,896)	(200,000)
Advances to contractor	24,862	(36,365)
Accounts payable and accrued liabilities	(515,144)	(25,186)
	(466,187)	(333,210)
Cash Provided by (Used in) Operating Activities	(643,091)	(486,558)
Investing Activities		
Mineral interests	(3,337,273)	(63,775)
Equipment purchases	(26,802)	(661)
Cash Used in Investing Activities	(3,364,075)	(64,436)
Financing Activities		
Issuance of capital stock for cash	13,569,206	-
Cash Provided by Financing Activities	13,569,206	-
Increase (Decrease) in Cash During the Period	9,562,040	(407,337)
Cash and Cash Equivalents, Beginning of Period	1,171,566	720,057
Cash and Cash Equivalents, End of Period	$ 10,733,606	$ 315,720

Supplemental disclosure with respect to cash flows (note 6)

1. NATURE OF OPERATIONS

Abacus Mining & Exploration Corporation (the "Company"), incorporated in British Columbia, is an exploration stage company engaged principally in the acquisition, exploration and development of mineral properties. The recovery of the Company's investment in mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development and the future proceeds from the disposition of those reserves.

These consolidated financial statements have been prepared on a going-concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. As at March 31, 2006, the Company has working capital of $11,064,548 (2004 - $1,294,441) and an accumulated deficit of $22,454,988 (2004 - $21,393,061). The Company's ability to continue as a going-concern is dependent on the ability of the Company to raise equity financing and the attainment of profitable operations.

These consolidated financial statements have been prepared on a going-concern basis, which assumes the realization of assets and liquidation of liabilities in the normal course of business.

These consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classifications of assets and liabilities should the Company be unable to continue as a going-concern.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with accounting policies generally accepted in Canada and reflect the following:

(a) Cash and Cash Equivalents

Cash and cash equivalents comprise cash and temporary investments maturing within ninety days from the original date of acquisitions.

(b) Marketable Securities

Marketable securities are carried at the lower of cost or quoted market value. When market value is below cost, any unrealized loss is charged to operations.

(c) Mineral Interests

The Company capitalizes all costs related to investments in mineral property interests on a property-by-property basis. Such costs include mineral property acquisition costs and exploration and development expenditures, net of any recoveries. Costs are deferred until such time as the extent of mineralization has been determined and mineral property interests are either developed or the Company's mineral rights are allowed to lapse. All deferred mineral property expenditures are reviewed, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the deferred costs, provision is made for the impairment in value.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Mineral Interests (Continued)

The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or the claims allowed to lapse.

From time to time the Company may acquire or dispose of a mineral property interest pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are recorded as property costs or recoveries when the payments are made or received.

(d) Equipment

Equipment is recorded at cost and amortized using the declining-balance method at an annual rate of 20% for office and field equipment and 30% for computer equipment.

(e) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those reported.

(f) Capital Stock

Capital stock issued for non-monetary consideration is recorded at fair market value on the dates of issuance pursuant to the agreement to issue shares as determined by the Board of Directors of the Company based on the trading price of the shares on the TSX Venture Exchange (the “Exchange”). The proceeds from shares issued under flow-through share financing agreements are credited to capital stock and the tax benefits of the exploration expenditures incurred under these agreements are transferred to the purchaser of the shares. Costs incurred for the issue of shares are deducted from capital stock.

(g) Loss Per Share

Loss per share amounts have been calculated and presented in accordance with the treasury stock method. Diluted loss per share amounts have not been presented as the effect of outstanding options and warrants are anti-dilutive.

(h) Foreign Currency Translation

The accounts of the Company's foreign operations have been translated into Canadian dollars. Monetary items are translated at the exchange rate in effect at the balance sheet date; non-monetary items are translated at historical exchange rates; revenues and expenses and exploration and development items, at the average rate of exchange for the period. Gains and losses arising from this translation of foreign currency are included in net loss.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Financial Instruments

The carrying values of cash and cash equivalents, accounts receivable, loan receivable, advances to contractor, accounts payable, accrued liabilities and loans payable approximate their fair values due to the relatively short periods to maturity of these instruments.

The estimated fair value of marketable securities and $300,000 loan receivable (note 3(b)) at March 31, 2006 was $650,000 (2005 - $1,250).

The Company is exposed to credit risk with respect to its cash and other amounts receivable. Cash and cash equivalents and flow-through exploration funds have been placed with a major Canadian financial institution. Other amounts receivable are primarily amounts owing from government agencies and related parties.

(j) Stock-Based Compensation

The Company follows the recommendations of the Canadian Institute of Chartered Accountants ("CICA") Section 3870, *"Stock-Based Compensation and Other Stock-Based Payments"* for accounting for stock-based compensation expense whereby all stock-based payments to directors, employees and non-employees, including awards that are direct awards of stock, call for settlement in cash or other assets, or stock appreciation rights that call for settlement by the issuance of equity instruments, granted on or after January 1, 2004, are accounted for using the fair value based method, and are recorded as an expense in the period the stock-based payments are vested or the awards or rights are granted, and a corresponding increase in option compensation. When the stock options are exercised the corresponding fair value is transferred to capital stock. When the stock options are forfeited, cancelled or expired the corresponding fair value is transferred to contributed surplus.

(k) Asset Retirement Obligations

The Company has adopted the CICA Section 3110, *"Asset Retirement Obligations"*. This statement establishes standards for accounting for the recognition and measurement of liabilities for obligations associated with the retirement of property, plant and equipment when those obligations result from the acquisition, construction, development or normal operations of the assets. As at March 31, 2006, the Company did not have any asset retirement obligations.

(l) Impairment of Long-Lived Assets

The Company has adopted CICA Section 3063, *"Impairment of Long-Lived Assets"*. This statement establishes standards for the recognition, measurement and disclosure of the impairment of non-monetary long-lived assets, including property, plant and equipment, intangible assets with finite useful lives, deferred pre-operating costs and long-term prepaid assets. The adoption of this standard did not have a material impact on its financial position or results of operations.

(m) Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method of tax allocation, future income tax assets and liabilities are determined based on differences between the financial statement carrying values and their respective income tax basis (temporary differences). Future income tax assets and liabilities are measured using the tax rates expected in be in effect when the temporary differences are likely to reverse. The effect on future income tax assets and liabilities of a change in tax rates is included in operations in the period in which the change is enacted or substantially assured.

The amount of future income tax assets recognized is limited to the amount of the benefit that is more likely than not to be realized.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) **Flow-Through Common Shares**

The Company follows the CICA accounting pronouncement EIC-146, relating to flow-through shares. Under the terms of Canadian flow-through share legislation, the tax attributes of qualifying expenditures are renounced to the subscribers. The tax impact to the Company of the renouncement is recorded on the date that the renunciation is filed with taxation authorities, through a decrease in capital stock and the recognition of a future tax liability.

3. MINERAL INTERESTS

At March 31, 2006, expenditures incurred on mineral properties are as follows:

	Afton Mine Property				
	Afton	**Rainbow**	**Iron Mask**	**DM/Audra**	**Total**
Balance, December 31, 2005	$ 9,102,946	$2,525,148	$1,839,401	$ 0	$13,467,495
Additions during year					
Acquisition costs	3,024,925	0	0	0	3,024,925
Exploration costs					
Drilling	0	0	132,987	0	132,987
Contract wages	0	825	84,737	1,237	86,799
Assay	0	1,237	46,588	1,237	49,062
Camp and field supplies	0	0	2,855	0	2,855
Travel and accommodation	0	0	16,604	0	16,604
Geophysical consulting	0	0	0	0	0
Equipment rental	0	0	7,651	0	7,651
Geological consulting	0	0	8,201	0	8,201
Recording fees	0	0	2,899	0	2,899
Reports, drafting and maps	0	0	5,290	0	5,290
	0	2,062	307,812	2,474	312,348
Total additions during year	3,024,925	2,062	307,812	2,474	3,337,273
Mineral property disposition during year	0	0		0	(1)
Balance, December 31, 2005	$12,127,871	$2,527,210	$2,147,213	$ 2,474	$16,804,768

3. MINERAL INTERESTS (Continued)

The Company has acquired or has an option to acquire mineral interests as follows:

(a) Iron Mask, Rainbow and Afton Mine Property, Kamloops Mining Division, BC

During the year ended December 31, 2004, the Company exercised its options and acquired a 100% interest in the Iron Mask and Rainbow properties (a total of 52 mineral claims) through issuing 500,000 common shares of the Company and incurring $2,000,000 in mineral exploration expenditures on the property.

The properties are subject to 1.5% net smelter royalties of which the Company may purchase one-third of each for $1,000,000.

The optionor had also reserved a right to back-in and acquire up to a 65% interest in any specific mineral located.

Certain of the mineral claims are subject to various net profit interests or net smelter royalties held by underlying vendors of those claims.

On November 25, 2005, the Company signed an Asset Purchase Agreement with the optionor to purchase land, buildings, equipment, tailings pond and the back-in rights pursuant to the Rainbow and Iron Mask property agreements ("Afton"). Total aggregate consideration for the transfer of the assets is $28,500,000 to be paid as follows:

(i) 8,500,000 shares at a deemed value of $1 per share on the execution date (issued);

(ii) 5,000,000 shares at a deemed value of $1 per share and $5,000,000 cash on or before November 26, 2006; and

(iii) 5,000,000 shares at a deemed value of $1 per share and $5,000,000 cash on or before November 26, 2007.

Upon completion of all share issuances and cash payments, the optionor will transfer title (the "Transfer Date") of the assets to the Company, subject to any additional consideration. On the Transfer Date, if the ten-day weighted average closing price of the shares issued to the optionor is less than $18,500,000, the Company will pay the optionor additional consideration equal to 81.1% of the difference between $18,500,000 and the weighted average closing price of the Company's shares. Any reclamation liabilities that may be attributable to the assets acquired will be assessed and recorded upon closing.

On March 3, 2006, the Company paid to the optionor $3,000,000 of the $5,000,000 first anniversary payment in accordance with the Afton Asset Purchase Agreement dated November 25, 2005.

(b) Niblack Project, Alaska, USA

The Company held a 100% interest in 47 mineral claims 16 patented mineral claims subject to the issue of 500,000 common shares upon making a decision to place the property into production. The optionor of a 70.49% interest in the property had retained a variable 1% to 3% net smelter returns royalty based on the profitability of the property. Certain net profit interests were held by other parties with respect to a 29.51% interest in the property. An additional 100% interest in two patented mineral claims had been acquired subject to a final US $10,000 payment. During 2002, the property was written-down to a nominal value of $1.

On March 15, 2005, the Company received shareholder approval to transfer Abacus Alaska Inc., the holder of the Niblack property, into Niblack Mining Corp. ("Niblack"), a newly incorporated company. On April 15, 2005, shareholders of the Company received one new share of Niblack and four new shares of the Company for

3. MINERAL INTERESTS (Continued)

(c) **Niblack Project, Alaska, USA** (Continued)

every four Company shares held. Initial capital for Niblack was provided by a $300,000 plus interest loan by the Company, which is convertible into Niblack shares at a price of $0.35 per share. The Company was also issued 1,000,000 (escrowed) Niblack shares as bonus for the foregoing loan.

(d) **Title to Mineral Property Interests**

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

(e) **Realization of Assets**

The investment in and expenditures of resource properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the obtaining of permits, the satisfaction of governmental requirements and possible aboriginal claims, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

(f) **Environmental**

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

4. EQUIPMENT

Equipment is comprised of office, field and computer equipment recorded at cost, net of accumulated amortization of $77,202 as at March 31, 2006 (2005 - $68,267).

5. CAPITAL STOCK

Authorized
Unlimited number of common shares without par value

	No. of Shares	Amount
Issued		
Balance, December 31, 2005	49,684,480	$ 35,837,507
Issued for cash, private placements (net of issue costs)	23,571,430	13,532,086
Issued for cash, exercise of options	300,000	37,120
	23,871,430	13,569,206
Balance, March 31, 2006	73,555,910	49,406,713

(a) **Private Placements**

(i) On February 17, 2006, the Company closed a private placement financing for gross proceeds of $14,500,000 and issued 20,000,000 units at a price of $0.60 per unit and 3,571,430 flow-through units at a price of $0.70 per unit. Each unit consists of one common share and one-half of one common share purchase warrant. Each flow-through unit consists of one flow –through common share and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share for a period of two years from the closing date at a price of $0.85.

(ii) On December 29, 2005, the Company completed a non-brokered private place of 2,000,000 units at a price of $0.45 per unit for proceeds of $900,000. Each unit consists of one common flow-through share and one-half share purchase warrant. Each whole warrant is exercisable into one common share at a price of $0.55 on or before January 13, 2007.

(b) **Renounced Exploration Expenditures**

In February 2005, the Company renounced $84,000 of exploration expenditures under its flow-through share program, resulting in a future income tax liability of $28,660, which was deducted from capital stock. The Company subsequently reduced the future income tax liability by recognizing previously unrecorded future income tax assets equal to the amount of the future tax liability. This decrease in the valuation allowance has resulted in a future income tax recovery of $28,660 disclosed on the statement of operations under future income taxes (note 8).

(c) **Bonus Shares**

During the year ended December 31, 2005, the Company arranged three private loans for a total of $450,000. The Company agreed to pay bonus shares of 450,000 at a deemed value of $90,000 as consideration for the loan. The loans have a term of one year bearing interest at a rate of 12% per annum, compounded monthly, resulting in an interest expense of $108,790 including the deemed value of $90,000 for the bonus shares issued. On January 25, 2006 the Company repaid these three private loans in full.

(d) **Share Purchase Warrants**

The Company has, as at March 31, 2006, share purchase warrants outstanding entitling the holders to acquire common shares as follows:

Outstanding as at December 31, 2005	Exercise Price	Expiry Date	Issued	Exercised	Expired	Outstanding as at March 31, 2006
1,000,000	$0.55	January 13, 2007	0	0	0	1,000,000
	$0.75	February 17,2008	2,357,143			2,357,143
	$0.85	February 17, 2008	11,785,715			11,785,715
1,000,000			14,142,858			15,142,858

(e) **Stock Options**

Options to purchase common shares have been granted to directors, employees and consultants at exercise prices determined by reference to the market value on the date of the grant. As at March 31, 2006, the Company had stock options outstanding to directors and employees for the purchase of up to 6,712,500 common shares exercisable as follows:

Options Outstanding		
Number of Shares	**Exercise Price**	**Expiry Date**
90,000	$0.11	June 1, 2006
352,500	$0.16	April 16, 2007
720,000	$0.08	April 4, 2008
750,000	$0.15	September 4, 2008
300,000	$0.29	October 9, 2008
1,500,000	$0.16	September 17, 2009
1,500,000	$0.32	October 23, 2009
200,000	$0.30	December 23, 2009
800,000	$0.28	March 4, 2010
500,000	$0.34	May 20, 2010
6,712,500		

A summary of the status of the Company's stock options as at March 31, 2006 and changes during the period then ended is as follows:

	2005	
	Shares	**Weighted Average Exercise Price**
Outstanding at beginning of year	7,012,500	$0.26
Exercised	(300,000)	$0.12
Outstanding at end of year	6,712,500	$0.22

5. CAPITAL STOCK (Continued)

(f) Stock-Based Compensation

The following summarizes information about the fair value of option compensation:

	2006	2005
Balance, beginning of year	904,352	$ 435,118
Stock-based compensation	87,379	469,234
Balance, end of year	991,731	$ 904,352

The fair value of stock options used to calculate compensation expense is estimated using the Black-Scholes option pricing model with the following assumptions:

	2005	2004
Risk-free interest rate	3.12% - 3.29%	3.17% - 3.36%
Expected dividend yield	0	0
Expected stock price volatility	97% - 108%	108% - 115%
Expected option life in years	5	3

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options.

6. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

(a) Interest paid during the period amounted to $3,822 (2005 - nil).

(b) Interest received during the period amounted to $50,677 (2005 – $2,301).

7. RELATED PARTY TRANSACTIONS

(a) The Company conducts the majority of its exploration activities through an exploration services contractor in which a director is a principal. The Company paid that contractor $312,348 (2005 - $63,775) for exploration costs and $118,464 (2005 - $43,217) to reimburse office and administrative costs. As at Marach 31, 2006, there was $16,057 due to that company.

(b) A management fee of $4,500 (2005 - $4,500) and rent of $7,700 (2005 - $4,634) was paid or was owed to a company in which a director is a principal.

(c) The Company shares office and administrative costs with a company with two directors in common. As at March 31, 2006, $2,146 was due from this company.

(d) Legal fees in the amount of $48,744 (2004 - $2,416) were paid to a firm in which an officer of the Company is a partner.

(e) A director of the Company was paid $15,000 for consulting services.

8. INCOME TAXES

The Company has capital losses of approximately $11,172,000 available to be carried forward to offset future taxable capital gains.

The Company has accumulated non-capital losses for Canadian tax purposes of approximately $2,686,000 that expire in various years to 2015 as follows:

2006	$	404,000
2007		214,000
2008		206,000
2009		219,000
2010		331,000
2014		685,000
2015		627,000
	$	2,686,000

Future income tax assets and liabilities are recognized for temporary differences between the carrying amounts of the balance sheet items and their corresponding tax values as well as for the benefit of losses available to be carried forward to future years for tax purposes that are likely to be realized.

The reconciliation of income tax provision computed at statutory rates to the reported income tax provision is as follows:

		2005		**2004**
		34.12%		35.62%
Income tax benefit computed at Canadian statutory rates	$	388,472	$	394,798
Temporary differences not recognized in year		(2,935)		(2,424)
Stock-based compensation		(160,103)		(112,601)
Permanent differences not recognized		(4,881)		(26,631)
Unrecognized tax losses		(191,893)		(253,142)
	$	28,660	$	0

Significant components of the Company's future tax assets and liabilities, after applying enacted corporate income tax rates, are as follows:

		2005		**2004**
Future income tax assets				
Temporary differences in assets	$	1,763,652	$	1,769,949
Non-capital losses carried forward		917,118		941,132
Capital losses carried forward		3,812,150		3,296
		6,492,920		2,714,377
Valuation allowance for future income tax assets		(6,492,920)		(2,714,377)
Future income tax assets, net	$	0	$	0

9. SEGMENTED DISCLOSURE

The Company has one operating segment, mineral exploration and development during the period ended March 31, 2006. All of the Company's assets were located in Canada with the exception of its former mineral property that was located in Alaska, U.S.A. (note 3).

10. SUBSEQUENT EVENTS

(a) **Mineral Interests**

In March 2006, the Company entered into two agreements to purchase 100% in three and two mineral claims respectively both of which are located in the Kamloops Mining Division. The Company will allot and issue 60,000 common shares to the vendors and make cash payments and grant a 1% net smelter royalty to each vendor.

(b) **Stock Options**

On April 7, 2006, the Company granted director and employee incentive stock options to purchase up to 1,800,000 common shares of the Company at a price of $0.90 per share for a period of five years.