



**INTERIM FINANCIAL STATEMENTS**

**SEPTEMBER 30 2006**

## NOTICE TO READER

The management of Electra Gold Ltd. has compiled its unaudited interim balance sheet of the Company as at September 30, 2006 and its unaudited interim statement of operations, retained earnings and cash flow for the nine months ending September 30, 2006 and for the nine months ending September 30<sup>th</sup>, 2006. These interim period statements should be read together with the audited financial statements and the accompanying notes included in the Company's latest annual filing.

In the opinion of the Company, its unaudited interim financial statements contain all adjustments necessary in order to present a fair statement of the results of the interim periods presented.

Eric Sauvé  
Chief Financial Officer  
November 29, 2006

**ELECTRA GOLD LTD.**  
**INTERIM BALANCE SHEET**  
**NINE MONTH PERIOD ENDED SEPTEMBER 30, 2006 (UNAUDITED)**

|   | September 30,<br>2006 | December 31,<br>2005 |
|---|-----------------------|----------------------|
|   |                       | Audited              |
| <b>ASSETS</b>                               |                       |                      |
| <b>Current</b>                              |                       |                      |
| Cash  | \$ 166,830            | \$ 186,874           |
| Receivables                                 | 87,364                | 172,197              |
| Inventory                                   | <u>52,500</u>         | <u>52,500</u>        |
|   | 306,694               | 411,571              |
| <b>Reclamation Bond</b>                     | \$ 113,500            | 50,000               |
| <b>Equipment</b>                            | 365,474               | 424,553              |
| <b>Mineral properties</b> (Note 5)          | <u>628,238</u>        | <u>636,112</u>       |
|   | \$ 1,413,914          | \$ 1,522,236         |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b> |                       |                      |
| <b>Current</b>                              |                       |                      |
| Accounts payable and accrued liabilities    | \$ 283,540            | \$ 198,018           |
| Royalties Payable                           | -                     | 28,644               |
| Loan Payable                                | 356,903               | 467,773              |
| Due to related parties (Note 2)             | <u>147,778</u>        | <u>99,895</u>        |
|   | 788,221               | 794,330              |
| <b>Royalties Payable</b>                    | <u>167,474</u>        | <u>118,002</u>       |
|   | <u>955,695</u>        | <u>912,332</u>       |
| <b>Shareholders' equity</b>                 |                       |                      |
| Share Capital (Note 3)                      | \$13,558,064          | 13,233,589           |
| Contributed surplus                         | 468,564               | 450,188              |
| Common shares to be issued                  | -                     | 252,047              |
| Deficit                                     | <u>(13,568,409)</u>   | <u>(13,073,873)</u>  |
|   | <u>458,219</u>        | <u>609,904</u>       |
|   | \$ 1,413,914          | \$ 1,522,236         |

**Nature and continuance of operations** (Note 1)

**Subsequent events** (Note 6)

**On behalf of the Board:**

\_\_\_\_\_  
 "Douglas Stelling" Director      \_\_\_\_\_ "Johan Shearer" Director

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

**ELECTRA GOLD LTD.**  
**INTERIM STATEMENT OF OPERATIONS AND DEFICIT**  
**NINE MONTH PERIOD ENDED SEPTEMBER 30, 2006 (UNAUDITED)**

|   | Three Month<br>Period Ended<br>September 30,<br>2006 | Three Month<br>Period Ended<br>September 30,<br>2005 | Nine Month<br>Period Ended<br>September 30,<br>2006 | Nine Month<br>Period Ended<br>September 30,<br>2005 |
|---|--|--|---|---|
| <b>SALES</b>  | \$ 605,658   | \$ 588,810   | \$ 1,689,329  | \$ 1,852,857  |
| <b>COST OF SALES</b>  |  |  |   |   |
| Cost of production  | 487,168  | 517,371  | 1,329,495   | 1,380,664   |
| Royalties   | 46,977   | 93,270   | 135,109   | 176,994   |
| Depletion   | 3,694  | 4,350  | 11,083  | 13,050  |
|   | <u>537,839</u>                                       | <u>614,991</u>                                       | <u>1,475,687</u>                                    | <u>1,570,708</u>                                    |
| <b>GROSS PROFIT</b>   | 67,819   | \$ (26,181)  | \$ 213,642  | \$ 282,149  |
| <b>EXPENSES</b>   |  |  |   |   |
| Amortization  | \$ 29,693  | \$ 30,224  | \$ 89,079   | \$ 81,878   |
| Consulting and financing fees                                 | 107,476  | 40,737   | 238,315   | 167,082   |
| Filing fees   | 3,638  | 2,761  | 25,662  | 12,997  |
| Management fees   | 12,850   | 12,200   | 37,950  | 35,300  |
| Office and general  | 20,984   | 6,665  | 65,414  | 36,037  |
| Professional fees   | -  | 3,180  | 32,348  | 39,371  |
| Property investigation expenses                               | -  | 2,262  | 11,153  | 12,916  |
| Stock based compensation                                      | -  | -  | 18,376  | -   |
|   | <u>\$ 174,641</u>                                    | <u>\$ 98,029</u>                                     | <u>\$ 518,297</u>                                   | <u>\$ 385,581</u>                                   |
| <b>Net income (loss) for the period</b>                       | (106,822)  | (124,210)  | (304,655)   | (103,432)   |
| <b>Deficit, beginning of period</b>                           | <u>(13,271,704)</u>                                  | <u>(12,925,903)</u>                                  | <u>(13,070,873)</u>                                 | <u>(12,946,681)</u>                                 |
| <b>Deficit, end of period</b>                                 | <u><u>\$(13,378,526)</u></u>                         | <u><u>\$(13,050,113)</u></u>                         | <u><u>\$ (13,378,526)</u></u>                       | <u><u>\$ (13,050,113)</u></u>                       |
| <b>Basic and diluted loss per share</b>                       | \$ (0.00)  | \$ (0.00)  | \$ (0.00)   | \$ (0.00)   |
| <b>Weight average number of common shares<br/>outstanding</b> | 26,370,511   | 19,145,801   | 26,370,511  | 19,145,801  |

**ELECTRA GOLD LTD.**

## INTERIM NOTES TO THE FINANCIAL STATEMENTS

NINE MONTH PERIOD ENDED SEPTEMBER 30, 2006 (UNAUDITED)

**1. BASIS OF PRESENTATION AND CONTINUANCE OF OPERATIONS**

The interim period financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles. All financial summaries included are presented on a comparative and consistent basis showing the figures for the corresponding period in the preceding year. The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of annual financial statements. Certain information and footnote disclosure normally included in financial statements prepared in accordance with Canadian generally accepted accounting principles has been condensed or omitted. These interim period statements should be read together with the audited financial statements and the accompanying notes included in the Company's latest annual filing. In the opinion of the Company, its unaudited interim financial statements contain all adjustments necessary in order to present a fair statement of the results of the interim periods presented.

The Company is in the process of developing its mineral properties and is in the start-up phase of commercial production. The recoverability of the amounts shown for mineral properties and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These 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 liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

|                 | September 30,<br>2006 | December 31,<br>2005 |
|-----------------|-----------------------|----------------------|
| Working Capital | (481,527)             | (382,759)            |
| Deficit         | (13,568,409)          | (13,073,873)         |

**2. DUE TO RELATED PARTIES**

As at September 30, 2006 a total of \$141,658 (December 2005 - \$99,895) is payable to directors for fees, royalties and expenses. These outstanding amounts payable are unsecured and non-interest bearing with no fixed terms of repayment. The fair value of the debt is not determinable as it has no repayment terms.

### 3. SHARE CAPITAL

|   | Number<br>of Shares | Share<br>Capital<br>\$ | Contributed<br>Surplus<br>\$ | Total<br>\$ |
|---|---------------------|------------------------|------------------------------|-------------|
| Authorized                                  |                     |                        |                              |             |
| 100,000,000 common shares without par value |                     |                        |                              |             |
| Issued                                      |                     |                        |                              |             |
| Balance as at December 31, 2003             | 18,230,049          | 12,542,074             | 350,291                      | 12,892,365  |
| Exercise of warrants                        | 750,000             | 112,500                | -                            | 112,500     |
| Private placement                           | 447,200             |                        | -                            | 111,800     |
|   |                     | 111,800                |                              |             |
| Stock-based compensation                    | -                   | -                      | 2,000                        | 2,000       |
| Balance as at December 31, 2004             | 19,427,249          | 12,766,374             | 352,291                      | 13,118,665  |
| Shares issued in settlement of debt         | 975,334             | 252,047                | -                            | 252,047     |
| Exercise of stock options                   | 50,000              | 7,000                  | (2,000)                      | 5,000       |
| Shares issued for finance fees              | 176,000             | 21,120                 | -                            | 21,120      |
| Private placement at \$0.08 per share       | 1,637,500           | 131,000                | -                            | 131,000     |
| Private placement at \$0.08 per share       | 1,250,000           | 100,000                | -                            | 100,000     |
| Finders' fees for private placement         |                     |                        |                              |             |
| Cash  | -                   | (10,000)               | -                            | (10,000)    |
| Agent's warrants                            | -                   | (4,792)                | 4,792                        | -           |
| Renounced flow through share expenditures   | -                   | (29,160)               | -                            | (29,160)    |
| Stock-based compensation                    |                     |                        | 95,105                       | 95,105      |
| Balance as at December 31, 2005             | 23,516,083          | 13,233,589             | 450,188                      | 13,683,777  |
| Stock-based compensation                    |                     |                        | 9,188                        | 9,188       |
| Balance as at March 31, 2006                | 23,516,083          | 13,233,589             | 459,376                      | 13,692,965  |
| Exercise of warrants                        | 512,500             | 51,250                 | -                            | 51,250      |
| Exercise of stock options                   | 285,261             | 28,526                 | -                            | 28,526      |
| Private placement at \$0.12 per share       | 1,756,342           | 210,760                | -                            | 210,760     |
| Stock-based compensation                    | -                   | -                      | 9,188                        | 9,188       |
| Balance as at June 30, 2006                 | 26,070,186          | 13,524,125             | 468,564                      | 13,992,689  |
| Private placement at \$0.12 per share       | 120,325             | 14,439                 | -                            | 14,439      |
| Exercise of warrants                        | 150,000             | 15,000                 | -                            | 15,000      |
| Exercise of options                         | 30,000              | 4,500                  | -                            | 4,500       |
| Balance as at September 30, 2006            | 26,370,511          | 13,558,064             | 468,564                      | 14,026,628  |

During the quarter ending September 30<sup>th</sup>, 2006, 150,000 warrants were exercised at a value of \$15,000 and 30,000 stock options were exercised at a value of \$4,500.

### 3. SHARE CAPITAL (cont'd...)

On May 4, 2006 the Company closed a non-brokered private placement of 1,876,667 units at a price of \$0.12 a unit of which 1,756,342 units were issued to June 30, 2006 and the balance of 120,325 were issued on July 10, 2006. Each unit consists of one common share and one purchase warrant. The warrants are exercisable from the date of grant at \$0.20 in the first year and \$0.30 in the second year and expire on May 4, 2008. The Company used \$110,000 of the proceeds to post a reclamation bond totaling \$160,000 and release the five individuals from the bond they posted on the Company's behalf.

During the year ended December 31, 2005, 50,000 stock options were exercised at a value of \$5,000 which the Company offset from \$5,000 in accounts payable and accrued liabilities for a director of the Company. As a result, \$2,000 was reallocated to capital stock from contributed surplus.

During the year ended December 31, 2005 the Company provided a \$160,000 irrevocable letter of credit as a condition of approval to a Work System and Reclamation Program Permit issued by B.C. Ministry of Energy and Mines (Note 4). \$110,000 of this security was provided by directors, officers and certain other associates of these related parties in consideration for the issuance of 176,000 shares, which have been valued at \$21,120.

On December 15, 2005, pursuant to a Private Placement Agreement, the Company issued 1,250,000 units at \$0.08 per unit for total proceeds of \$100,000. Each unit consisted of one share purchase warrant, entitling the holder, on exercise, to purchase one common share at a price of \$0.10 until December 15, 2006. Finders' fees included the Company paying \$10,000 and issuing 125,000 agent's warrants exercisable into additional common shares at \$0.10 per share until December 15, 2006. The agent's warrants have been recorded at a fair value of \$4,792.

On November 28, 2005 pursuant to a Private Placement Agreement, the Company issued 1,637,500 flow-through units at \$0.08 per unit for total proceeds of \$131,000. Each flow-through unit consisted of one flow-through share and a non flow-through warrant. One non flow-through warrant will entitle the holder, on exercise, to purchase one common share at a price of \$0.10 to November 28, 2006.

On January 24, 2005, the Company issued 975,334 common shares pursuant to debt settlement agreements with a director and a company controlled by a directly for the settlement of \$252,047 of indebtedness.

#### **Flow-through Shares**

In accordance with accounting recommendations relating to the issuance of flow-through shares, the Company reduced from flow-through share proceeds assigned to share capital and recognized as a future tax liability, the estimated tax effect of the timing difference resulting from renouncing exploration expenditures using currently enacted tax rates and laws.

Concurrently the Company recognized a future income tax recovery from the utilization of available tax losses of prior periods to offset the future tax liability recognized. The Company has

### 3. SHARE CAPITAL (cont'd...)

not previously recognized tax benefits relating to losses of prior periods as the criteria for recognition has not been met.

#### Stock Options

The Company follows the policies of the TSX Venture Exchange (TSX-V) under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. Under the policies, the exercise price of each option equals the market price of the Company's shares as calculated on the date of grant. The options can be granted for a maximum term of 5 years.

Stock options transactions are summarized as follows for the period ended March 31, 2006 and December 31, 2005:

On January 19, 2006, the Company entered into a six month term letter of understanding with for consulting services, whereby the Company will compensate the consultant by the issuance of 470,522 stock options, issued at \$0.15 each, an exercise price of \$0.10 each and expire on March 27, 2008.

|                                  | 2006      |                                 | 2005        |                                 |
|----------------------------------|-----------|---------------------------------|-------------|---------------------------------|
|                                  | Number    | Weighted Average Exercise Price | Number      | Weighted Average Exercise Price |
| Outstanding, beginning of period | 1,420,522 | \$ 0.10                         | 1,350,000   | \$ 0.10                         |
| Granted                          | 700,522   | 0.18                            | 1,550,000   | 0.10                            |
| Exercised                        | 285,261   | 0.10                            | (50,000)    | 0.10                            |
| Expired                          |           | 0.10                            | (1,300,000) | 0.10                            |
| Outstanding, end of period       | 1,775,783 | \$ 0.13                         | 1,550,000   | \$ 0.10                         |
| Exercisable, end of period       | 1,262,630 | \$ 0.10                         | 1,175,000   | \$ 0.10                         |

The following table summarizes the Company's stock options outstanding at September 30, 2006:

| 2006    |                |                  |
|---------|----------------|------------------|
| Number  | Exercise Price | Expiry Date      |
| 900,000 | \$ 0.10        | April 27, 2007   |
| 205,261 | \$ 0.10        | November 1, 2007 |
| 470,522 | \$ 0.15        | March 26, 2008   |
| 200,000 | \$ 0.25        | March 26, 2008   |

### 3. SHARE CAPITAL (cont'd...)

#### Stock-based compensation

The total stock-based compensation recognized in the period ended September 30, 2006 was \$----- (December 31, 2005 - \$95,105), of which \$Nil (2005 - \$85,917) was recorded as stock-based compensation for stock options granted to directors and employees, and ----- (2005 - \$9,188) was recorded as consulting and financing fees for stock options granted to consultants.

The following weighted-average assumptions were used for the Black-Scholes option pricing valuation of stock options granted during the period ended September 30, 2006 and the year ended December 31, 2005:

|                          | 2006       | 2005       |
|--------------------------|------------|------------|
| Risk-free interest rate  | 3.47%      | 3.47%      |
| Expected life of options | 1.08 years | 1.08 years |
| Annualized volatility    | 200%       | 200%       |
| Dividend rate            | 0.0%       | 0.0%       |

#### Warrants

Warrant transactions are summarized as follows for the period ended September 30, 2006 and December 31, 2005:

|                                  | 2006      |                                 | 2005      |                                 |
|----------------------------------|-----------|---------------------------------|-----------|---------------------------------|
|                                  | Number    | Weighted Average Exercise Price | Number    | Weighted Average Exercise Price |
| Outstanding, beginning of period | 3,012,500 | \$ 0.10                         | 447,200   | \$ 0.35                         |
| Granted                          | 1,876,667 | 0.20                            | 3,012,500 | 0.10                            |
| Exercised                        | 762,500   | 0.10                            | -         | 0.10                            |
| Expired                          |           | -                               | (447,200) | 0.35                            |
| Outstanding, end of period       | 4,126,667 | \$ 0.14                         | 3,012,500 | \$ 0.10                         |

The following table summarizes the Company's warrants outstanding for the period ended September 30, 2006:

| 2006      |                |                   |
|-----------|----------------|-------------------|
| Number    | Exercise Price | Expiry Date       |
| 1,025,000 | \$ 0.10        | November 28, 2006 |
| 1,100,000 | \$ 0.10        | November 24, 2006 |
| 1,876,667 | \$ 0.20        | May 4, 2007       |

#### 4. EQUIPMENT

|                    | September<br>2006 |                             |                   | December<br>31<br>2005 |                             |                   |
|--------------------|-------------------|-----------------------------|-------------------|------------------------|-----------------------------|-------------------|
|                    | Cost              | Accumulated<br>Amortization | Net<br>Book Value | Cost                   | Accumulated<br>Amortization | Net<br>Book Value |
| Computer equipment | \$ 8,288          | \$ 6,002                    | \$ 2,286          | \$ 8,288               | \$ 5,338                    | \$ 2,950          |
| Trailers           | 109,332           | 36,275                      | 103,057           | 109,332                | 23,382                      | 85,950            |
| Trucks             | <u>376,327</u>    | <u>116,196</u>              | <u>260,131</u>    | <u>376,327</u>         | <u>40,674</u>               | <u>335,653</u>    |
|                    | \$ 493,947        | \$ 158,473                  | \$ 365,474        | \$ 493,947             | \$ 69,394                   | \$ 424,553        |

During the year ended December 31, 2005 the Company acquired two trucks at a cost of \$376,327 which was financed by way of a loan from its major customer (Note 6).

#### 5. MINERAL PROPERTIES

|              | 2006                               |                      |                          |                   |                          | 2006                         |
|--------------|------------------------------------|----------------------|--------------------------|-------------------|--------------------------|------------------------------|
|              | Balance,<br>Beginning<br>of Period | Acquisition<br>Costs | Deferred<br>Expenditures | Option<br>Payment | Accumulated<br>Depletion | Balance,<br>End<br>of Period |
| Apple Bay    | \$ 536,112                         | \$ -                 | \$ -                     | \$ (40,000)       | \$ -                     |                              |
| Hankin Point | 50,000                             | -                    | -                        | -                 | -                        | 50,000                       |
| Lang Bay     | 50,000                             | -                    | -                        | -                 | -                        | 50,000                       |
| Alberta Iron | <u>\$ 0</u>                        | <u>\$ 3,408</u>      | <u>\$ -</u>              | <u>\$ -</u>       | <u>\$ -</u>              | <u>\$ 3,408</u>              |
| Total        | \$ 636,112                         | \$ 3,408             | \$ -                     | \$ (40,000)       | \$ -                     | \$ 620,623                   |

|              | 2005                             |                      |                          |                   |                          | 2005                       |
|--------------|----------------------------------|----------------------|--------------------------|-------------------|--------------------------|----------------------------|
|              | Balance,<br>Beginning<br>of Year | Acquisition<br>Costs | Deferred<br>Expenditures | Option<br>Payment | Accumulated<br>Depletion | Balance,<br>End<br>of Year |
| Apple Bay    | \$ 517,626                       | \$ -                 | \$ 60,700                | \$ (20,000)       | \$ (22,214)              | \$ 536,112                 |
| Hankin Point | 50,000                           | -                    | -                        | -                 | -                        | 50,000                     |
| Lang Bay     | <u>50,000</u>                    | <u>-</u>             | <u>-</u>                 | <u>-</u>          | <u>-</u>                 | <u>50,000</u>              |
| Total        | \$ 617,626                       | \$ -                 | \$ 60,700                | \$ (20,000)       | \$ (22,214)              | \$ 636,112                 |

The Company entered into a Letter Agreement dated February 3, 2005 with Lumina Copper Corp. ("Lumina") for the exploration development and mining of mineral resources within the North

Island Apple Bay Claims. Lumina may earn a 100% interest in the property by making a total of \$200,000 in cash payments over a period of three years to the Company and upon a production decision, paying an additional \$800,000 in cash or shares. The Company retains the right to explore and exploit the property for non-metallic industrial minerals, and in addition, Lumina grants the right to the Company to explore its Hushamu claims for non-metallic industrial minerals. At December 31, 2005, the Company has received a \$20,000 option payment from Lumina and received an additional \$40,000 on February 3, 2006, pursuant to the terms of the Letter Agreement.

## **6. LOAN PAYABLE – MAJOR CUSTOMER**

During the period, \$558,772 (2005, \$2,441,269) of the Company's sales were to one customer located in the USA. These sales are pursuant to a purchase agreement dated April 1, 2004 which is for an initial term of five years.

Concurrent with this purchase agreement the Company and its major customer entered into a loan agreement dated April 1, 2004 whereby the major customer agreed to establish a secured demand loan facility to enable the Company to purchase production equipment. All advances bear interest at 8% per annum and are repayable on the basis of \$1.50 per tonne of product purchased by the major customer by deducting the appropriate balance from the sales invoice representing the purchase by this major customer. A total of \$517,851 was advanced. During the period the Company owed \$349,752 (December 31, 2005 \$467,773) under this loan facility. Total repayments in the period totaled \$46,887 (December 31, 2005 \$85,915) and accrued interest of \$7,150 (December 31, 2005 \$35,837).

## **7. RELATED PARTY TRANSACTIONS**

The Company entered into the following transactions with related parties:

- a) Paid or accrued management fees of \$9,000 (2005 - \$35,700) to an officer of the Company.
- b) Transferred \$10,000 from accrual to allow an officer of the Company to exercise stock options.
- c) Paid or accrued geological fees of \$17,250 (2005 - \$60,700) to the Company's president that were included in deferred exploration costs pursuant to the Apple Bay Agreement.
- d) Paid or accrued geological fees of \$1,500 (2005 - \$NIL) to the Company's president that were included in deferred exploration costs pursuant to the Lang Bay Agreement and \$150 (2005 - \$NIL) of general expenses to the president and a company controlled by the president.
- e) Paid or accrued royalties totaling \$12,593 (2005 - \$75,134) and \$5,742 (2005 - \$30,057) of general expenses to the president and a company controlled by the president.

## **8. ROYALTIES PAYABLES**

The Company entered into a Participation and Royalty Agreement with the Quatsino First Nation dated August 20, 2003 which grants the Company the exclusive right to mine certain claims over the term of the agreement expiring June 30, 2013. As consideration, Homegold transferred 400,000 common shares of the Company to the Quatsino First Nation and a member has been appointed as director of the Company. A royalty of \$1.00 per metric tonne is also payable. Payment for one half of the royalty is deferred until production exceeds 200,000 metric tonnes in a calendar year. As at September 30, 2006 an amount of \$167,474 (December 31, 2005 \$118,002) is owing under this deferral arrangement. On March 13, 2006 the Company received a long-term permit from the B.C. Ministry of Energy and Mines to mine up to 249,000 metric tonnes annually. The Company does not expect to produce in excess of 200,000 metric tonnes in 2006 and

therefore the amount owing under the deferral arrangement has been classified as a non-current liability at June 30, 2006.

## **9. SUBSEQUENT EVENTS**

On October 10<sup>th</sup>, 2006 the Company announced:

1. That J. T. Shearer, M.Sc., P.Geo. & President of Electra Gold Ltd., and a widely acknowledged expert on several industrial minerals, has been invited to present a paper entitled "Cement Raw Materials from the Perspective of a West Coast Producer" at "Industrial Minerals 2006", the eighteenth Annual Canadian Conference on Markets for Industrial Minerals to be held this year at the Four Seasons Hotel in Vancouver, on October 17-18, 2006. Interested shareholders are encouraged to attend this forum of executives from across North America and abroad of producers, distributors and consumers of industrial minerals.
2. That Load #66 containing 4,725.20 tonnes of chalky geyserite was shipped on October 2, 2006 from its PEM100 Quarry. The Company has shipped a total of 94,371.05 tonnes year to date resulting in a gross revenue of CDN\$1.74 million.
3. That it has received a letter of appreciation from the BC Ministry of Environment (MOE) for its support of the environmental objectives of the Wildlife Habitat Area (for the Queen Charlotte Goshawk) at Norton Point near its PEM100 Quarry.