

BRALORNE GOLD MINES LTD.
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Q1 INTERIM FINANCIAL STATEMENTS
FOR PERIOD ENDING APRIL 30, 2006

Shares Traded

TSX Venture Exchange
Symbol: BPM

OTCPK
Symbol: BPMSF

Frankfurt/Berlin-Bremen
WKN A0B75M

Directors and Officers

Louis Wolfin, Director and Chief Executive Officer
William G. Kocken, Director & President
Lloyd Andrews, Director & Chairman
David Wolfin, Director & VP Finance
Matt Wayrynen, Director & VP Operations
William Glasier, Director
Florian Riedl-Riedenstein, Director
Howard Lonsdale, Director
Gary Robertson, Director
Connie Lillico, Secretary

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has 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 financial statements by an entity's auditor.

BRALORNE GOLD MINES LTD.

Balance Sheets

(Prepared by Management)

As at	April 30, 2006	January 31, 2006
ASSETS		
Current assets		
Cash and cash equivalents	\$ 4,510,548	\$ 5,216,508
Accounts receivable and prepaid expenses	76,790	38,904
Taxes recoverable	40,187	45,157
Share subscriptions receivable	3,050	3,050
	4,630,575	5,303,619
Due from related parties (Note 6(c))	126,207	89,648
Mineral property (Note 4)	14,959,208	14,718,752
Equipment	26,612	28,150
Restricted cash	117,500	115,000
	4,630,575	5,303,619
Total Assets	\$ 19,860,102	\$ 20,255,169
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 53,502	\$ 349,658
Due to related parties (Note 6(d))	43,344	34,850
	96,846	384,508
Site restoration obligation	134,000	134,000
	134,000	134,000
Total Liabilities	230,846	518,508
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	26,465,789	26,465,789
Contributed surplus	3,645,012	3,645,012
Deficit	(10,481,545)	(10,374,140)
	19,629,256	19,736,661
Total Shareholders' Equity	19,629,256	19,736,661
Total Liabilities and Shareholders' Equity	\$ 19,860,102	\$ 20,255,169

NOTE 1 – NATURE OF OPERATIONS

Approved by the Directors:

“Louis Wolfin” Director“William Kocken” Director

BRALORNE GOLD MINES LTD.
Interim Statements of Operations and Deficit
(Unaudited – Prepared by Management)

	Three Months Ended April 30,	
	2006	2005
General and administrative expenses		
Administration services	\$ 1,369	\$ 5,163
Amortization	1,538	2,218
Automobile expense	1,209	4,807
Consulting	17,129	10,000
Interest	-	66
Listings and filing fees	17,300	35,360
Office, occupancy and miscellaneous	24,660	36,734
Professional fees	31,461	18,274
Salaries and benefits	32,171	26,573
Shareholder information	6,172	33,311
Stock-based compensation	-	99,200
Transfer fees	1,582	2,078
Travel and accommodation	18,954	18,516
	(153,545)	(292,300)
Other items		
Interest income	45,760	3,173
Foreign exchange gain (loss)	380	440
Loss for the period	(107,405)	(288,687)
Deficit, beginning of period	(10,374,140)	(8,452,202)
Deficit, end of period	\$ (10,481,545)	\$ (8,740,889)
Loss per share	\$(0.01)	\$(0.05)
Weighted average number of common shares issued and outstanding	13,215,554	6,223,750

BRALORNE GOLD MINES LTD.
Interim Statements of Cash Flows
(Unaudited – Prepared by Management)

	Three Months Ended April 30,	
	2006	2005
Cash flows from (used in) operating activities		
Loss for the period	\$ (107,405)	\$ (288,687)
Adjustments for items not involving cash:		
Amortization	1,537	2,218
Stock-based compensation	-	99,200
	(105,868)	(187,269)
Changes in non-cash working capital:		
Accounts receivable and prepaid expenses	(37,886)	95,178
Inventory	-	76,151
Taxes recoverable	4,970	25,639
Share subscriptions receivable	-	(16,000)
Accounts payable and accrued liabilities	(296,156)	(8,125)
	(434,940)	(14,426)
Cash flows used in investing activities		
Deferred exploration expenditures	(475,831)	(1,474,242)
Increase in reclamation deposit amount	(2,500)	-
Gold sales prior to commencement of commercial production	235,376	84,025
Funds advanced to related parties, net	(28,065)	4,609
	(271,020)	(1,385,608)
Cash flows from (used in) financing activities		
Share subscriptions receivable	-	(1,102,025)
Issuance of common shares, net	-	5,434,678
	-	4,332,653
Increase (decrease) in cash and cash equivalents	(705,960)	2,932,619
Cash and cash equivalents, beginning of period	5,216,508	602,274
Cash and cash equivalents, end of period	\$ 4,510,548	\$ 3,534,893

BRALORNE GOLD MINES LTD.

Notes to Interim Financial Statements

April 30, 2006

(Unaudited – Prepared by Management)

1. Nature of Operations

Bralorne Gold Mines Ltd. ("Bralorne") was incorporated on July 10, 1992 under the laws of the Province of British Columbia. The Company owns a 100% interest in a mineral property in British Columbia, Canada. It is in the process of exploring its mineral property interest and has not yet determined whether this property contains enough ore reserves, such that their recovery would be economically viable.

The recoverability of amounts shown for its mineral property interest and related deferred costs and the Company's continued viability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the financing necessary to complete development, and future profitable production or from the proceeds from the disposition of its mineral property interest.

The Company has positive working capital of \$4,533,729 at April 30, 2006. These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") applicable to a going concern, which assume that the Company will realize its assets and discharge its liabilities in the normal course of business. Realization values may be substantially different from carrying values, as show in the financial statements, should the Company be unable to continue as a going concern

2. Basis of Presentation

These unaudited interim financial statements have been prepared in accordance with the instructions for the preparation of such financial statements contained in the CICA Handbook Section 1751. Accordingly, certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such instructions. These unaudited interim financial statements should be read in conjunction with the audited financial statements and accompanying notes thereto for the fiscal year ended January 31, 2006. These interim financial statements have not been reviewed by an auditor.

In the opinion of the Company's management, all adjustments considered necessary for a fair presentation of these unaudited financial statements have been included and all such adjustments are of a normal recurring nature. Operating results for the three month period ended April 30, 2006 are not necessarily indicative of the results that can be expected for the year ended January 31, 2007.

3. Comparative figures

Certain of the comparative figures for 2005 have been reclassified, where applicable, to confirm to the presentation adopted for the current year.

BRALORNE GOLD MINES LTD.

Notes to Interim Financial Statements

April 30, 2006

(Unaudited – Prepared by Management)

4. Mineral Properties

The Company is in the exploration stage and defers all expenditures related to its mineral properties until such time as the properties are put into commercial production, sold or abandoned. Under this method, all amounts shown as mineral properties represent costs incurred to date less amounts amortized and/or written off and do not necessarily represent present or future values.

Inventory of gold floatation concentrate, gold dore bars and silver contained within the gold dore bars, produced during the bulk sampling development stage, are recorded as a component of mineral property costs. Proceeds from the sale of inventory produced during the bulk sampling stage and the carrying value of the inventory are deducted against the mineral property costs.

The following is a summary of mineral property expenditures for the Bralorne Property for the three months ended April 30, 2006:

<u>Mineral property as at January 31, 2006</u>	<u>\$ 14,718,752</u>
Assays	10,635
Camp operations	20,626
Field office	28,345
General exploration	413,726
Mine power	11,056
Mill operating	5,769
Underground exploration and mill feed	(18,441)
Tailings pond	3,798
Taxes & permits	318
	<u>475,832</u>
Increase in deferred expenditures	475,832
Deduct:	
Proceeds from sale of gold concentrate	(235,376)
<u>Mineral property as at April 30, 2006</u>	<u>\$ 14,959,208</u>

BRALORNE GOLD MINES LTD.

Notes to Interim Financial Statements

April 30, 2006

(Unaudited – Prepared by Management)

5. Share Capital

(a) Authorized Unlimited common shares without par value

(b) Issued

As at January 31, 2006, there were 13,215,554 common shares outstanding for a value of \$26,465,789. There were no changes to the share capital during the three month period ended April 30, 2006.

(c) As at April 30, 2006, the following share purchase warrants were outstanding:

Number of Underlying Shares	Exercise Price	Expiry Date
143,400	\$8.60	May 6, 2006
505,284	\$3.25	February 8, 2007
2,130,141	\$1.20	December 21, 2007
428,313	\$1.20	December 28, 2007
474,997	\$1.25	December 29, 2007
1,972,000	\$1.25	December 30, 2007
600,000	\$1.25	January 30, 2008
470,193	\$3.00	April 26, 2010
1,000,000	\$3.00	April 26, 2010
<hr/>		
7,724,328		

During the period there were no warrants issued, exercised, cancelled or expired.

(e) During the period there were no stock options granted or exercised.

A summary of stock options outstanding and exercisable at the period ended April 30, 2006 is as follows:

Exercise Price	Number Outstanding	Weight Average Remaining Contractual Life (yr)	Weighted Average Exercise Price
\$1.16	1,092,000	4.69	\$1.16

6. Related Party Transactions

Related party transactions not disclosed elsewhere in these statements are as follows:

- a) During the period ended April 30, 2006, the Company paid, or made provision for the future payment, of the following amounts to related parties:
 - i) \$26,808 for administrative expenses to a private Company beneficially owned by the Company and a number of other public companies related through common Directors;
 - ii) \$15,000 to two private companies controlled by Directors for management fees; and
 - iii) \$24,000 to a private company controlled by the President of the Company geological consulting and general mine management.
- b) The Company was billed \$305,818 in drilling expenses from a private drilling company with common management. The drilling company reimbursed Bralorne \$9,599 for supplies, equipment rentals, and administrative expenses incurred.
- c) Due from related parties consists of \$3,146 and \$5,520 from two public companies with common management and common directors and \$117,541 from a private company referred to in 6.a) i) above.
- d) Due to related parties consists of \$15,346 to three private companies controlled by Directors; and \$27,998 to a company with common management and common directors.

Related party balances are unsecured, due on demand and do not bear interest.

7. Commitments

The Company entered into an Investor Relations Agreement with Investor Relations Group Inc., formerly called Investor Relations Services Group John Mullen & Partners ("IRS"), to provide investor relations services in Europe. The Company will pay \$1,500 per month for twelve months with the agreement being effective July 1, 2005.

The Company entered into a cost sharing agreement dated October 1, 1997 and amended November 1, 2003 to reimburse a company under common control for a percentage of its overhead expenses, and reimburse 100% of its out-of-pocket expenses incurred on behalf of the Company, and to pay a percentage fee based on the total overhead and corporate expenses referred to above. The agreement may be terminated with one month notice by either party.

8. Subsequent Event

Subsequent to the quarter end, the Company granted incentive stock options for the purchase of 25,000 shares at a price of \$1.16 per share exercisable on or before May 2, 2011.

The following discussion and analysis of the operations, results, and financial position of Bralorne Gold Mines Ltd. (the "Company") for the period ended April 30, 2006 should be read in conjunction with the April 30, 2006 financial statements and the related notes. The effective date of this Management Discussion and Analysis is June 28, 2006. Additional information relating to the Company is available on SEDAR at www.sedar.com.

Forward Looking Statements

Except for historical information, the MD&A may contain forward looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward looking statements.

Business Description

The Company is a natural resource company, primarily engaged in the acquisition, exploration and development of natural resource properties since its inception. The Company's principal business activities for the last 12 years has been the exploration and development of certain mineral properties located in the Lillooet Mining District of British Columbia in the Bridge River area near Lillooet, specifically referred to as the Bralorne Gold Mine. The Property includes mineral properties that have produced in the past approximately 4 million ounces of gold over 40 years in the historic Bralorne gold camp of British Columbia.

Geological reports titled "Geological Modeling and Exploration Targeting for the Bralorne-Pioneer Mine Property" dated September 16, 2002, as revised October 10, 2003, prepared by Dr. Matt Ball, Ph.D., P.Ge. of North Vancouver, B.C. (the "Ball Report (2002)"), the update report entitled, "Report on the 2002 and 2003 Drilling and Trenching on the Bralorne Pioneer Mine Property", dated October 15, 2003, prepared by David St. Clair Dunn, P.Ge. of Gibsons, B.C. (the "St. Clair Dunn Report") and "Bralorne Mine Gold Deposit" dated September 2005, prepared by Beacon Hill Consultants (1988) Ltd. are available at www.sedar.com.

The Property consists of 154 Crown granted mineral claims, ten freehold parcels of land, five reverted Crown granted claims, four located mineral claims and two placer leases that includes the former Bralorne-Pioneer gold mine in the historic Bridge River gold mining camp of southwest British Columbia. The entire Bralorne-Pioneer Mine Property covers approximately 2422 hectares. The Property is located 160 kilometres due north of Vancouver, British Columbia, Canada.

The claims comprising a small portion of the Property are subject to an underlying covenant in which the Company is required to pay 1.6385% of Net Smelter Proceeds of Production to Bralorne Resources Limited of Calgary, Alberta. In addition, there is an underlying agreement on 12 specific crown grants that requires the Company to pay to Bralorne Resources Limited of Calgary, Alberta, an amount of fifty cents (\$0.50) per ton of ore produced from these claims, if the ore grade exceeds $\frac{3}{4}$ (0.75) ounce per ton gold.

Business Overview

The Company has adopted the new mining plan as recommended in the preliminary assessment report by Beacon Hill Consultants (1988) Ltd. dated September 2005.

The report estimated a measured resource at Bralorne of 14,000 tonnes grading 12 grams per tonne Au and inferred resources of 125,300 tonnes grading 14.09 grams per tonne Au. These figures meet the National Instrument 43-101 criteria for resource calculation.

The Company commenced a 10,000 metre surface drilling program in February, 2006 in an unexplored area between the King and Bralorne mines.

Phase 1 of the program was the completion of 4 underground diamond drill holes (BU-06-01 thru BU-06-04; totalling 3,218 feet or 980.85 metres) to test the Cadwallader serpentine contact area in the previously unexplored gap between the King and Bralorne Mines. Assay results from the program were in general disappointing as no new or significant zones were encountered.

Phase 2 of the program was the completion of 9 surface diamond drill holes (SB-06-77 thru SB-06-85; totalling 5,503 feet or 1,677.31 metres) to test a number of MMI geochemical anomalies. Results from the program did not indicate a source for the anomalies, follow-up interpretation work may be required.

Phase 3 was a exploratory hole (SB-06-86; 1,997 feet or 608.69 metres) intended to examine an unexplored portion of Bralorne intrusive rocks near the projection of the Empire fault. The area is located east of the 800-haulage level and within the King-Bralorne gap.

Hole SB-06-86 returned 10 separate alteration/quartz-veining zones, 5 of which returned anomalous gold results ranging from 0.155 oz/ton over 1.6 ft to 0.233 oz/ton over 1 foot. Further drilling in this area is planned.

Phase 4 of the drill program on the Maud's vein, located 1,000 feet southwest of the Peter Vein was the completion of 14 holes (SB-06-87 thru SB-06-100; totalling 7,701 feet or 2,347.26 metres) along 600 feet of strike length on the previously non-drilled Maud's structure. The Maud's structure is interpreted to consist of 2 sub parallel veins associated with splay veining. Eight of the 14 holes from various zones returned values greater than 0.1 oz/ton.

The most eastern hole of the program, SB-06-94 intersected a 53.5-foot alteration zone within a Tuff unit. Of the 43.1-foot interval sampled, 19.7 feet with separate intervals up to 6.7 feet returned values of 0.1 to 0.2 oz/ton Au. This may indicate a somewhat different style of mineralization than the camp is historically known for and warrants further follow up.

Results obtained from the Maud's vein are encouraging in that they are "better" than those obtained from the historical drilling of the Upper Peter zone located 1,000 feet to the northeast, which was partially mined in 2005. Following final compilation of all data a decision for further exploration of the Maud's vein will be made.

Phase 5 is currently on going. It's objective is to explore the previously non-drilled "new" vein, as well as the eastern continuations of structures historically mined in the King Mine.

Results of Operations

Three months ended April 30, 2006 compared with the three months ended April 30, 2005.

Head office-general and administrative expenses

General and administrative expenses totaled \$153,545 for the quarter ended April 30, 2006 compared with \$292,300 for the quarter ended April 30, 2005, a decrease of \$138,755. A large portion of this decrease is due to stock based compensation of \$99,200 that was recorded in the quarter ended April 30, 2005 compared to \$nil recorded in the most recent quarter. The remaining difference was mostly due to decreases in administration services, automobile expense, listing and filing fees, office, occupancy and miscellaneous and shareholder information costs of \$3,794, \$3,598, \$18,060, \$12,074 and \$27,139 respectively. These cost decreases were offset by cost

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MANAGEMENT'S DISCUSSION AND ANALYSIS
April 30, 2006
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increases of \$7,129 in consulting fees, \$13,187 in professional fees and \$5,598 in salaries and benefits.

Listing and filing fees decreased due to no private placements occurring in the recent quarter compared to significant private placement activity in the quarter ending April 30, 2005. The decrease in shareholder information was because of fewer promotional activities and investor relations consulting services commitments. As well, the quarter ended April 30, 2005 included website site design costs which were not incurred in the recent quarter.

Although consulting costs were higher in the most recent quarter compared to the quarter ended April 30, 2005, the level of services between the two periods was similar. There was an adjustment made in the prior year that created the difference. The increase in professional fees was due to higher legal fees in regards to the Company's efforts to become listed on the Toronto Stock Exchange.

Loss for the period

Loss for the quarter ended April 30, 2006 was \$107,405 compared with a loss of \$288,687 for the quarter ended April 30, 2005, a decrease of \$181,282. The primary reasons for the increase are the same as those referred to above for general and administrative expenses. Reducing the loss further was higher interest income of \$45,760 for the recent quarter compared to \$3,173 for the quarter ended April 30, 2005, an increase of \$42,587. The interest was earned on the private placement proceeds that were acquired in the last quarter of fiscal 2006. Foreign exchange was not a significant factor in either comparative periods.

Summary of Quarterly Results

Period ended	Apr. 30 2006 Q1	Jan 31 2006 Q4	Oct 31 2005 Q3	Jul 31 2005 Q2	Apr 30 2005 Q1	Jan 31 2005 Q4	Oct 31 2004 Q3	Jul 31 2004 Q2
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	-	-	-	-	-	-	-	-
Net Loss	(107,405)	(1,344,131)	(78,113)	(211,007)	(288,687)	(126,569)	(291,624)	(142,789)
Loss per Share	(0.01)	(0.13)	(0.01)	(0.03)	(0.05)	(0.02)	(0.07)	(0.03)

The general trend up to the quarter ending July 31, 2005 has been an increase in overall expenses because of the increase in exploration activities, the start up of the mill in March 2004, the associated support staff, and efforts to promote company awareness and raise funds through private placements. The quarter ending October 31, 2005 experienced a reduction in exploration activities and cost cutting measures were taken to reduce general and administrative expenses. While these costs were being reduced, efforts were being made to investigate and secure additional financing, the proceeds of which came to fruition in the quarter ending January 31, 2006. It was this quarter that the Company cancelled all outstanding stock options and granted new ones which resulted in a stock-based compensation expense of \$1,140,559.

Liquidity

The Company during the three months ended April 30, 2006 has accrued \$475,831 as mineral exploration on its Bralorne Property. A new exploration and development program was adopted in September 2005. While the mill continues to be shut down, the new drilling program is underway. In conjunction with the exploration activities, work concerning environmental studies and compliance measures, continues.

At this time the Company has no operating revenues, and does not anticipate any operating revenues with the completion of the bulk sampling. The mill operations showed good results for recovery of floatation and concentrates, proving the mine material was amenable to our plant operation. At the present time the Company applies any income as a recovery of costs expended on its exploration program.

At January 31, 2006, the Company had \$616,652 worth of gold concentrate, gold dore bars, and silver in inventory. During the period ended April 30, 2006 the Company has received \$235,376 for the sale of its remaining gold concentrate inventory.

At April 30, 2006, the Company had working capital of \$4,533,729 and cash and cash equivalents of \$4,510,548. The Company has sufficient cash on hand at this time to finance the limited exploration work on its mineral properties and maintain administrative operations. Mineral exploration and development is capital extensive, and in order to maintain its interest the Company will likely be required to raise new equity capital in the future. There is no assurance that the Company will be successful in raising additional new equity capital.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet transactions.

Transactions with related parties

During the period ended April 30 2006, the Company paid, or made provision for the future payment, of the following amounts to related parties:

- i) \$15,000 were paid to two private companies owned by directors of the Company for management fees;
- ii) \$24,000 were paid to a private company owned by the President of the Company for geological consulting and general mine management;

The Company was billed \$305,818 in drilling expenses from a private drilling company with common management. The drilling company reimbursed the Company \$9,599 for supplies, labour, equipment rentals and administrative expenses incurred.

The Company entered into a cost share agreement dated October 1, 1997 and amended November 1, 2003 to reimburse Oniva International Services Corp ("Oniva"), a company under common control for a percentage of its overhead expenses, and reimburse 100% of its out of pocket expenses incurred on behalf of the Company, and to pay a percentage fee based on the total overhead and corporate expenses referred to above. The agreement may be terminated with one month notice by either party.

During the period, a total of \$26,808 was billed by Oniva for expenses and expenditures in relation to the cost sharing agreement referred above.

Amounts due from related parties consist of \$3,146 and \$5,520 from two public companies with common management and common directors and \$117,541 from Oniva.

Amounts due to related parties consist of \$15,346 to three private companies controlled by Directors and \$27,998 to a public company with common management and common directors.

Disclosure of Management Compensation

During the period, \$24,000 was paid to the President for his services as director and officer of the Company; \$7,500 was paid to the V.P., Finance for his services as director and officer of the Company; \$7,500 was paid to the V.P., Operations for his services as director and officer of the Company; and \$2,491 was paid to the Secretary for her services as an officer of the Company.

Critical Accounting 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 amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results may differ from those estimates.

Financial Instruments

The Company's financial instruments include cash, accounts receivable and prepaid expenses, share subscriptions receivable, accounts payable and accrued liabilities and amounts due from and to related parties. The carrying values of these instruments approximate their fair values.

The Company is not exposed to significant interest, currency or credit risk arising from these financial instruments.

Changes in Accounting Policies

None.

Outstanding Share Data

At April 30, 2006 there were 13,215,554 common shares issued and outstanding.

The following is an analysis of outstanding share options and warrants.

Summary of management incentive options outstanding is as follows:

Exercise Price Per Share	Expiry Date	Number of Shares Remaining Subject to Options
\$1.16	January 16, 2011	1,092,000
		1,092,000

Summary of warrants outstanding is as follows:

Exercise Price	Expiry Date	Underlying Shares
\$8.60	May 6, 2006	143,400
\$3.25	February 8, 2007	505,284
\$1.20	December 21, 2007	2,130,141
\$1.20	December 28, 2007	428,313
\$1.25	December 29, 2007	474,997
\$1.25	December 30, 2007	1,972,000
\$1.25	January 30, 2008	600,000

\$3.00	April 26, 2010	470,193
\$3.00	April 26, 2010	1,000,000
		7,724,328

Commitment

The Company entered into an Investor Relations Agreement with Investor Relations Services Group John Mullen & Partners ("IRS") to provide investor relations services in Europe. The Company will pay \$1,500 per month for twelve months with the agreement being effective July 1, 2005.

Subsequent Event

Subsequent to the period end, the Company granted incentive stock options for the purchase of 25,000 shares at a price of \$1.16 per share exercisable on or before May 2, 2011.