BRALORNE GOLD MINES LTD.
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Q3 INTERIM FINANCIAL STATEMENTS

FOR PERIOD ENDING OCTOBER 31, 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	October 31, 2006	January 31, 2006
	(Unaudited)	(Audited)
ASSETS		
Current assets		
Cash and cash equivalents	$ 3,227,103	$ 5,216,508
Accounts receivable and prepaid expenses	32,288	36,274
Interest receivable	49,921	2,630
Taxes recoverable	23,198	45,157
Share subscriptions receivable	3,050	3,050
	3,335,560	5,303,619
Due from related parties (Note 6(c))	67,716	89,648
Mineral property (Note 4)	16,269,662	14,718,752
Equipment	23,616	28,150
Restricted cash	122,500	115,000
Total Assets	**$ 19,819,054**	**$ 20,255,169**
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 95,607	$ 349,658
Due to related parties (Note 6(d))	28,633	34,850
	124,240	384,508
Site restoration obligation	134,000	134,000
Total Liabilities	258,240	518,508
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	26,465,789	26,465,789
Contributed surplus	3,681,942	3,645,012
Deficit	(10,586,917)	(10,374,140)
Total Shareholders' Equity	19,560,814	19,736,661
Total Liabilities and Shareholders' Equity	**$ 19,819,054**	**$ 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 October 31, 2006	Three Months Ended October 31, 2005	Nine Months Ended October 31, 2006	Nine Months Ended October 31, 2005
General and administrative expenses				
Administration services	$ 730	$ 1,164	$ 2,830	$ 12,717
Amortization	1,498	1,968	4,534	6,276
Automobile expense	5,379	5,153	13,843	13,698
Consulting	15,375	14,214	47,504	52,566
Interest	-	-	-	769
Listings and filing fees	-	521	21,330	40,031
Office, occupancy and miscellaneous	21,145	25,315	(14,060)	91,913
Professional fees	16,603	-	57,835	49,399
Salaries and benefits	8,177	17,267	54,144	63,843
Shareholder information	32,887	7,141	68,031	100,052
Stock-based compensation	14,896	-	36,930	99,200
Transfer fees	1,436	796	7,663	6,927
Travel and accommodation	13,607	13,241	43,020	60,388
	(131,733)	(86,780)	(343,604)	(597,779)
Other items				
Interest income	51,172	8,667	141,848	19,532
Foreign exchange gain (loss)	-	-	(11,021)	440
Loss for the period	(80,561)	(78,113)	(212,777)	(577,807)
Deficit, beginning of period	(10,506,356)	(8,951,896)	(10,374,140)	(8,452,202)
Deficit, end of period	$(10,586,917)	$ (9,030,009)	$(10,586,917)	$ (9,030,009)
Loss per share	$(0.01)	$(0.01)	$(0.02)	$(0.08)
Weighted average number of common shares issued and outstanding				
- basic and diluted	13,215,554	7,675,320	13,215,554	6,973,638

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

	Three Months Ended October 31, 2006	Three Months Ended October 31, 2005	Nine Months Ended October 31, 2006	Nine Months Ended October 31, 2005
Cash flows from (used in) operating activities				
Loss for the period	$ (80,561)	$ (78,113)	$ (212,777)	$ (577,807)
Adjustments for items not involving cash:				
Amortization	1,498	1,968	4,534	6,276
Stock-based compensation	14,896	-	36,930	99,200
	(64,167)	(76,145)	(171,313)	(472,331)
Changes in non-cash working capital:				
Accounts receivable and prepaid expenses	(10,833)	434	3,986	105,776
Interest receivable	(19,652)	-	(47,291)	-
Inventory	-	(792,802)	-	(716,651)
Taxes recoverable	35,224	62,835	21,959	80,562
Share subscriptions receivable	-	30,000	-	14,000
Accounts payable and accrued liabilities	(65,182)	(113,261)	(254,051)	(547,995)
	(124,610)	(888,939)	(446,710)	(1,536,639)
Cash flows used in investing activities				
Deferred exploration expenditures	(413,974)	(648,309)	(1,780,917)	(3,657,981)
Mine and plant buildings and equipment	(5,369)	-	(5,369)	(181,299)
Increase in reclamation deposit	(5,000)	-	(7,500)	-
Gold sales prior to commencement of commercial production	-	792,802	235,376	876,827
Funds advanced to related parties, net	(14,262)	77,795	15,715	16,418
	(438,605)	222,288	(1,542,695)	(2,946,035)
Cash flows from (used in) financing activities				
Share subscriptions receivable	-	-	-	(1,102,025)
Issuance of common shares, net	-	(30,000)	-	5,414,678
	-	(30,000)	-	4,312,653
Increase (decrease) in cash and cash equivalents	(563,215)	(696,651)	(1,989,405)	(170,021)
Cash and cash equivalents, beginning of period	3,790,318	1,128,904	5,216,508	602,274
Cash and cash equivalents, end of period	$ 3,227,103	$ 432,253	$ 3,227,103	$ 432,253

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 $3,211,320 at October 31, 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 nine month period ended October 31, 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.

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.

As at October 31, 2006, the Company had inventory of gold and silver dore bars valued at $397,192.

The following is a summary of mineral property expenditures for the Bralorne Property for the nine months ended October 31, 2006:

Mineral property as at January 31, 2006	$	14,718,752
Assays		29,089
Camp operations		62,869
Field office		102,034
General exploration		1,348,926
Mine and plant equipment		5,369
Mine power		29,961
Mill operating		6,239
Underground exploration and mill feed		153,038
Tailings pond		29,224
Taxes & permits		19,537
Increase in deferred expenditures		1,786,286
Deduct:		
Proceeds from sale of gold concentrate		(235,376)
Mineral property as at October 31, 2006	$	16,269,662

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 nine month period ended October 31, 2006.

(c) Share Purchase Warrants

As at October 31, 2006, the following share purchase warrants were outstanding:

Number of Underlying Shares	Exercise Price	Expiry Date
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
7,580,928		

During the period there were 143,400 warrants at an exercise price of $8.60 that expired. During the period there were no warrants issued, exercised, or cancelled.

(d) Stock Options

During the three month period ended April 30, 2006, there were no stock options granted by the Company.

During the three month period ended July 31, 2006, the Company granted 25,000 stock options to a consultant of the Company at an exercise price of $1.16 per share. These stock options vested immediately and expire over 5 years. The Company recorded a total of $20,900 for stock based compensation expense in the period.

Also during the three month period ended July 31, 2006, the Company granted 100,000 stock options to an investor relations services company at an exercise price of $0.86 per share. These stock options vest over a period of twelve months from the grant date with no more than one quarter of the options investing in any three month period and expire over 5 years. The Company will record a total of $59,100 for stock based compensation expense in the periods in which the options become vested.

During the three month period ended October 31, 2006, there were no stock options granted by the Company.

5. Share Capital (continued)

(d) Stock Options (continued)

The fair value of each option granted has been estimated as of the date of the grant using the Black-Scholes option pricing model with the following assumptions: risk-interest rate of 4.32%, dividend yield 0%, volatility in the range of 83.71% to 85.94% and expected lives of 5 years.

A summary of the stock options granted and exercised during the period ended October 31, 2006 is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, January 31, 2006	1,092,000	$1.16
Granted / Exercised / Cancelled	-	-
Balance, April 30, 2006	1,092,000	$1.16
Granted	125,000	$0.92
Exercised	-	-
Cancelled	(12,500)	$1.16
Balance, July 31, 2006	1,204,500	$1.14
Granted / Exercised / Cancelled	-	-
Balance, October 31, 2006	1,204,500	$1.14

A summary of stock options outstanding and exercisable at the period ended October 31, 2006 is as follows:

Range of Exercise Prices	Number Outstanding	Weight Average Remaining Contractual Life (yr)	Weighted Average Exercise Price
$0.00 - $1.00	100,000	4.73	$0.86
$1.01 - $2.00	1,104,500	4.22	$1.16

6. Related Party Transactions

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

a) During the nine month period ended October 31, 2006, the Company paid, or made provision for the future payment, of the following amounts to related parties:

   i) $94,878 for administrative expenses to Oniva International Services Corp. ("Oniva"), a private Company beneficially owned by the Company and a number of other public companies related through common Directors;

   ii) $45,000 to two private companies controlled by Directors for management fees; and

   iii) $72,000 to a private company controlled by the President of the Company geological consulting and general mine management.

b) The Company was billed $1,075,492 in drilling expenses from a private drilling company with common management for 32,810 feet of drilling. The drilling company reimbursed the Company $16,909 for supplies, equipment rentals, and administrative expenses incurred.

c) Due from related parties consists of $3,146 from Avino Silver & Gold Mines Ltd. and $5,520 from Mill Bay Ventures Inc., both of which are public companies with common management and common directors and $59,050 from Oniva referred to in 6.a) i) above.

d) Due to related parties consists of $635 to two private companies controlled by Directors; and $27,998 to Coral Gold Resources Ltd., a public 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 Vantage Communications Ltd. ("Vantage"), to provide investor relations services. The Company will pay $5,500 per month plus approved expenses for a term of six months with the agreement being effective August 1, 2006. The Company also grants incentive stock options to Vantage for the purchase of 100,000 shares at a price of $0.86 per share exercisable on or before July 24, 2011. The Agreement can be terminated upon 30 days notice by the Company.

The Company entered into a sponsorship agreement with Raymond James Ltd. for purposes of listing with the Toronto Stock Exchange ("the Exchange"). Pursuant to the terms of the agreement, the Company has a commitment to pay a $25,000 sponsorship fee, of which $12,500 has been paid, plus expenses.

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.

The Company entered into a 12 month Investor Relations Agreement with Investor Relations Group Inc., formerly called Investors Relations Services Group John Mullen & Partners ("IRS"), to provide investor relations services in Europe. In consideration for the services rendered, the Company has agreed to pay IRS fees totaling $24,000 plus expenses.

The following discussion and analysis of the operations, results, and financial position of Bralorne Gold Mines Ltd. (the "Company") for the period ended October 31, 2006 should be read in conjunction with the October 31, 2006 financial statements and the related notes. The effective date of this Management Discussion and Analysis is December 20, 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, PhD., P.Geo. 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.Geo. of Gibsons, B.C. (the "St. Clair Dunn Report"), "Bralorne Mine, Bralorne Gold Deposit, Preliminary Assessment" dated September 2005, prepared by Beacon Hill Consultants (1988) Ltd. ("Beacon Hill") and "Bralorne Mine, Bralorne Gold Deposit, Preliminary Assessment Update" dated October 2006 by Beacon Hill are available at www.sedar.com.

The Property consists of 154 Crown granted mineral claims, ten freehold parcels of land, two reverted Crown granted claims and eight metric unit claims 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 2,422 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 ¾ (0.75) ounce per ton gold.

Business Overview

The Company adopted the new mining plan as recommended in the preliminary assessment report by Beacon Hill Consultants (1988) Ltd. dated September 2005. The preliminary assessment report was updated by Beacon Hill Consultants (1988) Ltd. in October 2006.

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 an 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. Compilation of the Maud's vein data has been completed and indicates that some further drilling will be required before decisions on further development can be made.

Phase five of the drilling program comprised the completion of 11 holes (SB-06-101 through SB-06-109B), totalling 8,897 feet, or 2711.8 meters. The objective of this phase was to explore the previously non-drilled "New Vein - Noelton Vein" area as well as the eastern continuations of structures historically mined in the King Mine area.

Hole SB-06-101 intersected a one foot zone assaying 0.832 oz/ton gold from the Noelton vein. Two additional holes (SB-06-113 &114) have been drilled 100 feet east of this intercept and results are pending.

Hole SB-06-105 intersected a 1.5 foot zone grading 1.479 oz/ton gold from a previously undeveloped portion of the north vein in the vicinity of the 800 level drift. Further testing of this area is being contemplated from the existing underground workings.

Hole SB-06-109B intersected two feet of 0.463 oz/ton gold on the eastern projection of the previously developed "Shaft vein" and then intersected two zones of "Bonanza" grade gold. A 1.1 foot vein assaying 11.781 oz/ton gold, followed 40 feet further down hole, by a 1.2 foot vein assaying 7.203 oz/ton gold. These intersects occur within a section of the previously unexplored King Mine - Bralorne Mine Gap, and as they occur within the favorable Bralorne Intrusive rock units are considered by the geological staff to be very significant.

The area of the Bonanza intersects is within 400 feet of existing underground workings, hence the option of further testing of the area by underground drilling is being considered.

Phases six, seven and eight of the drilling program has been completed. Eight holes (SB-06-110 through SB-06-117) totalling 9,526 feet, or 2, 903.4 meters were drilled.

The 2006 surface drill program was designed to explore the under explored portions of the Bralorne and Pioneer properties. Year to date the drilling program has consisted of 42 holes, totalling 33,724 feet (10,278 meters).

Holes SB-06-110 and 111 were designed to test for possible extensions of the northerly trending Maddy - Millchuk zones. Hole SB-06-112 was drilled at right angles to 110 and 111 to test for potential east-westerly trending structures. The favourable "host", the Bralorne intrusive, was extended into this previously unexplored area, and a further program in the area is definitely warranted.

Holes SB-06-113 and 114 were drilled to test for an easterly extension of the 0.832 oz/ton over 1 foot zone intersected in SB-06-101. The 0.338 oz/ton over 1.8 feet intersected in SB-06-113 projects far south of the SB-06-101 intercept to be an easterly continuation, hence additional drilling is proposed to test the area for a northerly trending structure, similar in orientation to the Peter and "C' vein systems.

Hole SB-06-115 was a step out hole, 240 feet east of, and paralleling SB-06-86.

Holes SB06-116 and 117 were exploration holes designed to test portions of the King-Bralorne Gap and indicate potential positive results for this area. This area will in part be tested by the up coming underground drill program.

Rehabilitation work in the historic King drift is progressing to facilitate the proposed underground drill program to follow-up on "bonanza results" of 11.78 oz/ton gold, followed 40 feet further down hole by a 1.2 foot vein assaying 7.2 oz/ton values in hole SB-06-109B. A Permit for the program has been received; the underground diamond drill contractor is ready to mobilize, and, with no more unforeseen problems, drilling should commence in December 2006.

Surface drilling is expected to resume in early 2007 to test targets in the Pioneer area.

Results of Operations

Three months ended October 31, 2006 compared with the three months ended October 31, 2005.

Head office-general and administrative expenses

General and administrative expenses totaled $131,733 for the quarter ended October 31, 2006 compared with $86,780 for the quarter ended October 31, 2005, an increase of $44,953. There was an increase of $25,746 in shareholder information in the current quarter because of more promotional activities and investor relations consulting services commitments. There were also increases in consulting fees, professional fees and stock-based compensation of $1,161, $16,603 and $14,896 respectively. In regards to professional fees, there were legal and auditing fees incurred in the current quarter compared to $nil in the comparative quarter. Office, occupancy and miscellaneous costs along with salaries and benefits decreased in the current quarter by $4,170 and $9,090 respectively. Both decreases were due to the Company's share of overhead expenses in regards to its cost sharing agreement with Oniva being reduced. All other costs remained fairly consistent between the quarters.

Loss for the period

Loss for the quarter ended October 31, 2006 was $80,561 compared with a loss of $78,113 for the quarter ended October 31, 2005, an increase of $2,448. The primary reason why the loss for the period was only slightly higher as opposed to the larger increase in the general and administrative expenses was the higher interest income of $51,172 for the recent quarter compared to $8,667 for the quarter ended October 31, 2005, an increase of $42,505. The interest was earned on the private placement proceeds that were acquired in the last quarter of fiscal 2006.

Nine months ended October 31, 2006 compared with the nine months ended October 31, 2005

Head office-general and administrative expenses

General and administrative expenses totalled $343,604 for the nine months ended October 31, 2006 with a comparative expense of $597,779 for the nine months ended October 31, 2005, a decrease of $254,175. Most significant is a decrease of $105,973 in office, occupancy and miscellaneous costs due in large part to a cost recovery of $75,000 in financing fees. As well there was a decrease of $62,270 in stock-based compensation. Other notable decreases in the current period were $9,887 in administration services, $5,062 in consulting, $18,701 in listing and filing fees, $9,699 in salaries and benefits, $32,021 in shareholder information and $17,368 in travel and accommodation. Contributing to the lower administration and salaries and benefits expenses was the reduction in the Company's share of overhead expenses in regards to its cost sharing agreement with Oniva. Overall decreases in general and administrative expenses are also due to the Company's efforts during the year ended January 31, 2006 to become more efficient and reduce costs.

Loss for the period

Loss for the nine months ended October 31, 2006 was $212,777 compared with a loss of $577,807 for the nine months ended October 31, 2005, a decrease of $365,030. Other items had a net effect of further reducing the loss for the current nine month period compared to the comparative period. Interest income was $141,848 in the current period compared to $19,532 in the nine months ended October 31, 2005, an increase of $122,316. The only other item was foreign exchange whereas the current period experienced an increase in foreign exchange loss of $11,461. The Canadian dollar

had gained in value compared to the U.S. dollar during the nine months ended October 31, 2005 and continued to stay strong during the current nine month period. This caused a foreign exchange loss on U.S. funds held in guaranteed investment certificates. There were no other extraordinary items recorded in either period.

Summary of Quarterly Results

Period ended	Oct 31 2006 Q3	Jul 31 2006 Q2	Apr. 30 2006 Q1	Jan 31 2006 Q4	Oct 31 2005 Q3	Jul 31 2005 Q2	Apr 30 2005 Q1	Jan 31 2005 Q4
		$	$	$	$	$	$	$
Revenue	-	-	-	-	-	-	-	-
Net Loss	(80,561)	(23,677)	(107,405)	(1,344,131)	(78,113)	(211,007)	(288,687)	(126,569)
Loss per Share	(0.01)	(0.00)	(0.01)	(0.13)	(0.01)	(0.03)	(0.05)	(0.02)

The general trend up to the quarter ending July 31, 2005 had been an increase in overall expenses because of the increase in exploration activities, the use of the mill for the bulk sampling process, 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. The three most recent quarters have seen an increase in overall expenses due to an increase in exploration activities; however, there has been interest revenue of approximately $45,000 in each quarter which has reduced the loss.

Liquidity

The Company during the nine months ended October 31, 2006 has accrued $1,786,286 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 continuing. 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 October 31, 2006, the Company held $397,192 worth of gold dore bars and silver in inventory. During the three month period ended April 30, 2006 the Company received $235,376 for the sale of its remaining gold concentrate inventory.

At October 31, 2006, the Company had working capital of $3,211,320 and cash and cash equivalents of $3,227,103. 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 nine month period ended October 31, 2006, the Company paid, or made provision for the future payment, of the following amounts to related parties:

i) $45,000 were paid to two private companies owned by directors of the Company for management fees;

ii) $72,000 were paid to a private company owned by the President of the Company for geological consulting and general mine management;

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During the period, a total of $94,878 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 $59,050 from Oniva.

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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 and cash equivalents, accounts receivable and prepaid expenses, interest receivable, taxes recoverable, 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 October 31, 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	1,079,500
$1.16	May 2, 2011	25,000
$0.86	July 24, 2011	100,000
		1,204,500

Summary of warrants outstanding is as follows:

Exercise Price	Expiry Date	Underlying Shares
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Subsequent Event

None.

The following discussion and analysis of the operations, results, and financial position of Bralorne Gold Mines Ltd. (the "Company") for the period ended October 31, 2006 should be read in conjunction with the October 31, 2006 financial statements and the related notes. The effective date of this Management Discussion and Analysis is December 20, 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, PhD., P.Geo. 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.Geo. of Gibsons, B.C. (the "St. Clair Dunn Report"), "Bralorne Mine, Bralorne Gold Deposit, Preliminary Assessment" dated September 2005, prepared by Beacon Hill Consultants (1988) Ltd. ("Beacon Hill") and "Bralorne Mine, Bralorne Gold Deposit, Preliminary Assessment Update" dated October 2006 by Beacon Hill are available at www.sedar.com.

The Property consists of 154 Crown granted mineral claims, ten freehold parcels of land, two reverted Crown granted claims and eight metric unit claims 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 2,422 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 ¾ (0.75) ounce per ton gold.

Business Overview

The Company adopted the new mining plan as recommended in the preliminary assessment report by Beacon Hill Consultants (1988) Ltd. dated September 2005. The preliminary assessment report was updated by Beacon Hill Consultants (1988) Ltd. in October 2006.

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 an 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. Compilation of the Maud's vein data has been completed and indicates that some further drilling will be required before decisions on further development can be made.

Phase five of the drilling program comprised the completion of 11 holes (SB-06-101 through SB-06-109B), totalling 8,897 feet, or 2711.8 meters. The objective of this phase was to explore the previously non-drilled "New Vein - Noelton Vein" area as well as the eastern continuations of structures historically mined in the King Mine area.

Hole SB-06-101 intersected a one foot zone assaying 0.832 oz/ton gold from the Noelton vein. Two additional holes (SB-06-113 &114) have been drilled 100 feet east of this intercept and results are pending.

Hole SB-06-105 intersected a 1.5 foot zone grading 1.479 oz/ton gold from a previously undeveloped portion of the north vein in the vicinity of the 800 level drift. Further testing of this area is being contemplated from the existing underground workings.

Hole SB-06-109B intersected two feet of 0.463 oz/ton gold on the eastern projection of the previously developed "Shaft vein" and then intersected two zones of "Bonanza" grade gold. A 1.1 foot vein assaying 11.781 oz/ton gold, followed 40 feet further down hole, by a 1.2 foot vein assaying 7.203 oz/ton gold. These intersects occur within a section of the previously unexplored King Mine - Bralorne Mine Gap, and as they occur within the favorable Bralorne Intrusive rock units are considered by the geological staff to be very significant.

The area of the Bonanza intersects is within 400 feet of existing underground workings, hence the option of further testing of the area by underground drilling is being considered.

Phases six, seven and eight of the drilling program has been completed. Eight holes (SB-06-110 through SB-06-117) totalling 9,526 feet, or 2, 903.4 meters were drilled.

The 2006 surface drill program was designed to explore the under explored portions of the Bralorne and Pioneer properties. Year to date the drilling program has consisted of 42 holes, totalling 33,724 feet (10,278 meters).

Holes SB-06-110 and 111 were designed to test for possible extensions of the northerly trending Maddy - Millchuk zones. Hole SB-06-112 was drilled at right angles to 110 and 111 to test for potential east-westerly trending structures. The favourable "host", the Bralorne intrusive, was extended into this previously unexplored area, and a further program in the area is definitely warranted.

Holes SB-06-113 and 114 were drilled to test for an easterly extension of the 0.832 oz/ton over 1 foot zone intersected in SB-06-101. The 0.338 oz/ton over 1.8 feet intersected in SB-06-113 projects far south of the SB-06-101 intercept to be an easterly continuation, hence additional drilling is proposed to test the area for a northerly trending structure, similar in orientation to the Peter and "C' vein systems.

Hole SB-06-115 was a step out hole, 240 feet east of, and paralleling SB-06-86.

Holes SB06-116 and 117 were exploration holes designed to test portions of the King-Bralorne Gap and indicate potential positive results for this area. This area will in part be tested by the up coming underground drill program.

Rehabilitation work in the historic King drift is progressing to facilitate the proposed underground drill program to follow-up on "bonanza results" of 11.78 oz/ton gold, followed 40 feet further down hole by a 1.2 foot vein assaying 7.2 oz/ton values in hole SB-06-109B. A Permit for the program has been received; the underground diamond drill contractor is ready to mobilize, and, with no more unforeseen problems, drilling should commence in December 2006.

Surface drilling is expected to resume in early 2007 to test targets in the Pioneer area.

Results of Operations

Three months ended October 31, 2006 compared with the three months ended October 31, 2005.

Head office-general and administrative expenses

General and administrative expenses totaled $131,733 for the quarter ended October 31, 2006 compared with $86,780 for the quarter ended October 31, 2005, an increase of $44,953. There was an increase of $25,746 in shareholder information in the current quarter because of more promotional activities and investor relations consulting services commitments. There were also increases in consulting fees, professional fees and stock-based compensation of $1,161, $16,603 and $14,896 respectively. In regards to professional fees, there were legal and auditing fees incurred in the current quarter compared to $nil in the comparative quarter. Office, occupancy and miscellaneous costs along with salaries and benefits decreased in the current quarter by $4,170 and $9,090 respectively. Both decreases were due to the Company's share of overhead expenses in regards to its cost sharing agreement with Oniva being reduced. All other costs remained fairly consistent between the quarters.

Loss for the period

Loss for the quarter ended October 31, 2006 was $80,561 compared with a loss of $78,113 for the quarter ended October 31, 2005, an increase of $2,448. The primary reason why the loss for the period was only slightly higher as opposed to the larger increase in the general and administrative expenses was the higher interest income of $51,172 for the recent quarter compared to $8,667 for the quarter ended October 31, 2005, an increase of $42,505. The interest was earned on the private placement proceeds that were acquired in the last quarter of fiscal 2006.

Nine months ended October 31, 2006 compared with the nine months ended October 31, 2005

Head office-general and administrative expenses

General and administrative expenses totalled $343,604 for the nine months ended October 31, 2006 with a comparative expense of $597,779 for the nine months ended October 31, 2005, a decrease of $254,175. Most significant is a decrease of $105,973 in office, occupancy and miscellaneous costs due in large part to a cost recovery of $75,000 in financing fees. As well there was a decrease of $62,270 in stock-based compensation. Other notable decreases in the current period were $9,887 in administration services, $5,062 in consulting, $18,701 in listing and filing fees, $9,699 in salaries and benefits, $32,021 in shareholder information and $17,368 in travel and accommodation. Contributing to the lower administration and salaries and benefits expenses was the reduction in the Company's share of overhead expenses in regards to its cost sharing agreement with Oniva. Overall decreases in general and administrative expenses are also due to the Company's efforts during the year ended January 31, 2006 to become more efficient and reduce costs.

Loss for the period

Loss for the nine months ended October 31, 2006 was $212,777 compared with a loss of $577,807 for the nine months ended October 31, 2005, a decrease of $365,030. Other items had a net effect of further reducing the loss for the current nine month period compared to the comparative period. Interest income was $141,848 in the current period compared to $19,532 in the nine months ended October 31, 2005, an increase of $122,316. The only other item was foreign exchange whereas the current period experienced an increase in foreign exchange loss of $11,461. The Canadian dollar

had gained in value compared to the U.S. dollar during the nine months ended October 31, 2005 and continued to stay strong during the current nine month period. This caused a foreign exchange loss on U.S. funds held in guaranteed investment certificates. There were no other extraordinary items recorded in either period.

Summary of Quarterly Results

Period ended	Oct 31 2006 Q3	Jul 31 2006 Q2	Apr. 30 2006 Q1	Jan 31 2006 Q4	Oct 31 2005 Q3	Jul 31 2005 Q2	Apr 30 2005 Q1	Jan 31 2005 Q4
		$	$	$	$	$	$	$
Revenue	-	-	-	-	-	-	-	-
Net Loss	(80,561)	(23,677)	(107,405)	(1,344,131)	(78,113)	(211,007)	(288,687)	(126,569)
Loss per Share	(0.01)	(0.00)	(0.01)	(0.13)	(0.01)	(0.03)	(0.05)	(0.02)

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