

CONSOLIDATED GLOBAL MINERALS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

**FOR THE YEAR ENDED
JUNE 30, 2006**

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INTRODUCTION

The following discussion of performance and financial condition should be read in conjunction with the audited consolidated financial statements of the Company for the year ended June 30, 2006. The Company's consolidated financial statements are prepared in accordance with Canadian GAAP. The Company's reporting currency is Canadian dollars unless otherwise stated. The date of this Management's Discussion and Analysis is October 18, 2006.

DESCRIPTION OF BUSINESS

Consolidated Global Minerals Ltd. was incorporated under the Business Corporations Act (Alberta) on July 24, 1989 and continued into the province of British Columbia on March 31, 2006. The Company is listed on the TSX Venture Exchange as a Tier 2 mining issuer under the trading symbol **CTG-V**.

The business of the Company is the evaluation, acquisition and development of mineral property interests. There has been no determination whether these properties contain reserves which are economically recoverable.

During the reporting period the Company's development strategy was focused on known gold districts in jurisdictions that management considers friendly to mining. The Company is currently advancing a high grade potential vein-type deposit.

MINERAL PROPERTIES

Front Range - Colorado

The Front Range gold property is the Company's most advanced project. It consists of 85 patented and 21 unpatented claims on 480 acres located within Boulder County, Colorado. The properties are held under a 50/50 joint venture with several private owners (the "Vendors") that has resulted in the consolidation of at least eighteen former producing high grade gold mines into one contiguous group. The claims are held in the names of the Vendors, but the Company is the operator of the Front Range project.

A 43-101 compliant technical report on the property was prepared on May 27, 2003 (revised on July 2, 2004) by Paul C. Jones and it was filed on Sedar on September 7, 2006. The report recommends that the Company focus its efforts on two of the historic past producers, namely the Cash Mine and the Rex Mine which are situated approximately ½ mile apart.

The Cash Mine development plan continues to be updated as additional information is received. The Company has fully refurbished and permitted the mill on site which is capable of processing between 50 - 100 tons per day. A total of 6 stopes are being developed on the known veins and all of the old workings will be rehabilitated to current standards. Furthermore, escape, vent and utility raises are being completed and an underground drill has been purchased to drill off auxiliary veins underground.

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In the mill, the water balance has been calculated for the projected ore, and high pressure roll crushers are being evaluated as a method of increasing mill output without adding a larger ball mill.

On the exploration side, management made the decision to buy a surface drill capable of drilling 1000 ft holes. This machine will be used to guide ongoing drift development on the Cash & Freiberg vein systems. A 20 hole drill program will commence as soon as the drill is completed.

Quarter Horse Ranch - Nevada

The Quarter Horse property is a Carlin-type sediment hosted gold prospect located in north-central Elko County, Nevada. It consists of 2,025 acres of land held through a mining lease and a surface use agreement that contains a conditional purchase option.

The property is located within the Jerritt Canyon mining district and previous operators have done extensive field work, including geophysics, sampling and drilling (Core and RC).

A 43-101 compliant technical report on the property was prepared on August 26, 2006 by Ernest L. Hunsaker III and it was filed on Sedar on September 7, 2006. The report recommends a 10 hole drill program to completed in two phases for a total cost of US\$636,000.

The Company is currently completing geochemical and geophysical work on the property and intends to drill the property in the first quarter of 2007.

Cornucopia - Nevada

The Cornucopia property consists of 40 claims in the Tuscarora Mountains in Elko County, Nevada.

A 43-101 compliant technical report on the property was prepared on November 25, 2003 by Donald Jennings and Dr. Hans Madeisky and it was filed on Sedar on December 2, 2003. The report recommends a single phase program of data compilation, geochemical and geophysical work at an estimated cost of US\$200,000.

The Company has no significant property expenditures planned for the next quarter.

Rock Creek - Nevada

The Company entered into an option agreement to acquire 82 mining claims with Teck Resources Inc. ("Teck"), a wholly-owned subsidiary of Teck Cominco Ltd. The terms of the option stated the Company was required to incur certain annual expenditures on the property, annual property payments, a NSR royalty and a back-in right for Teck.

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A 43-101 compliant technical report on the property was prepared on November 25, 2003 by Donald Jennings and Dr. Hans Madeisky and it was filed on Sedar on December 2, 2003. The report recommends a two phase program. Phase one consists of data compilation, geochemical and geophysical work at an estimated cost of US\$200,000. Phase two consists of deep drilling at a cost of US\$700,000.

During the year, the Company decided to terminate this option agreement and has written-off all deferred exploration expenditures incurred to date.

Good Hope - Nevada

The Good Hope property consists of 107 claims covering approximately 2,000 acres in the Tuscarora Mountains in Elko County, Nevada. Management believes the proposed exploration targets have the potential to form high-grade Carlin-type deposits similar to the Meikle mine (7 million ounces @ .7 oz/ton) in addition to bonanza gold and silver veins near surface.

The Company granted an option to Dynamic Resources Corp. ("Dynamic") to acquire 60% of the Company's interest in the Good Hope property. The Company remains as the operator of the property until such time as Dynamic has earned its interest and a formal Joint Venture agreement has been formed. During 2006, Dynamic defaulted on the option agreement and the Company allowed the transfer of the option to Reno Gold Corp. ("Reno") under the same terms and conditions as the original agreement, subject to the payment of US\$25,000 to the Company and incurring US\$200,000 in exploration expenditures by December 31, 2006.

A 43-101 compliant technical report on the property was prepared on November 25, 2003 by Donald Jennings and Dr. Hans Madeisky and it was filed on Sedar on December 2, 2003. The report recommends a two phase program. Phase one consists of data compilation, geochemical and geophysical work at an estimated cost of US\$200,000. Phase two consists of deep drilling at a cost of US\$700,000.

Mapping, geochemical sampling, and geophysics were completed. The results were positive based on recommendations of the consulting geologists, a total of eight drill sites have been permitted. The Company is currently in discussions with its joint venture partner to schedule the additional CSAMT geophysics and to hire a drilling contractor.

Quarter Circle S - Nevada

On September 6, 2005, the Company entered into an agreement with Grandcru Resources Corp. ("Grandcru") wherein the Company and Grandcru contributed particular property interests in northern Nevada with a view to forming a joint venture for the purposes of further exploration and development.

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The Company contributed its 100% interests in (i) surface rights and an option to purchase lands covering approximately 600 acres; (ii) mining leases and surface rights and an option to purchase covering approximately 2,920 acres known as the Quarter Circle S Ranch lands; and (iii) 35 claims known as the VN claim group. Grandcru contributed its 100% interest in the Danny Boy claims.

Grandcru is the operator on the property, and under the resulting joint venture the interests of the parties in the properties will be 30% to the Company and 70% to Grandcru.

Bailey Hills (formerly the "Lumps") – Nevada

The Bailey Hills property consists of 152 mining claims covering 3,000 acres within the southernmost part of the Carlin trend in Nevada, along a prospective northwest structural zone which hosts numerous world-class gold deposits.

In August 2006, the Company granted an option to earn an 80% interest in its Bailey Hills property to AmMex Gold Mining Corp. ("AmMex"). Under the terms of the option agreement AmMex must make an up front cash payment of US\$25,000 and incur expenditures of US\$4-million within a three-year period, payable as follows:

Year 1 - US\$1,000,000

Year 2 - US\$1,500,000

Year 3 - US\$1,500,000

Five drill holes are currently permitted and, based on the results of a recently completed CSAMT geophysical survey, seven additional hole locations have been applied for. Drilling is planned for the fourth quarter of 2006. The Company is the operator under the terms of the option agreement.

Dome - Red Lake, Ontario

The Dome property consists of claims covering 1,400 acres in the prolific gold producing area of Red Lake, Ontario.

On August 5, 2005 the Company received recommendations from an exploration report prepared by independent consultants for a two phase work program. The recommended program consists of geophysics followed by drilling with a projected cost of \$84,000 for phase one and \$273,000 for phase two.

The Company secured \$200,000 by way of a flow through financing in December 2005 to fund a portion of these expenditures. Management is encouraged by significant new discoveries at Red Lake as they represent a previously unrecognized environment for gold mineralization in this important Canadian gold camp.

A drill program is scheduled for the 4th quarter of 2006 after winter freeze allows access.

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Tunisian Lead-Zinc – Maghreb Minerals plc

On August 11, 2004, the Company completed the sale of its interest in all of its Tunisian mineral interests to Maghreb Minerals plc (“Maghreb”). In December 2004 Maghreb minerals began trading on the Alternative Investment Market (“AIM”) of the London Stock Exchange. The Company currently owns 12,905,000 shares of Maghreb (representing 25.4% ownership). Maghreb is currently drilling and advancing its lead zinc projects in Tunisia and its gold assets in Algeria.

The shares of Maghreb currently trade at 8.25 pence giving the Company’s investment a fair market value of approximately \$2,150,000.

JEN 1-3 – NWT, Canada

The Jen 1-3 consists of 3 mining claims located in the Northwest Territories. The Company has not done any significant exploration activity on this property to date, but actively continues to seek a joint venture partner.

Tuya – BC, Canada

The Company acquired a 50% interest in two coal licenses located in the Cassiar land district of British Columbia. The Company has not done any significant exploration activity on this property to date, but actively continues to seek a joint venture partner.

Mineral Property Expenditures

A summary of exploration expenditures incurred on the Company’s mineral properties during the year are as follows:

Properties	Balance June 30, 2005	Additions	Write-downs / Disposals	Balance June 30, 2006
Colorado	\$2,586,411	1,119,050	-	\$3,705,461
Nevada	689,300	164,831	(59,562)	794,569
Canada	123,363	-	(111,361)	12,002
Total	3,399,074	1,283,881	(170,923)	4,512,032

In accordance with National Instrument 43-101, all disclosure of scientific or technical information on the Company's mineral properties outside of technical reports previously prepared by independent consultants is based on information prepared by or under the supervision of the Company's Qualified Person, George Heard. Mr. Heard is the president and a director of the Company.

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RESULTS OF OPERATIONS

Current Quarter

The Company incurred a \$1,947,313 loss during the current quarter versus a \$895,394 loss in the same period last year. This amounts to a \$1,051,919 (117%) increase over the same period in the prior year which can be mainly attributed to a dilution gain of \$1,166,036 recorded by the Company after its ownership interest in Maghreb Minerals plc ("Maghreb") was reduced. The Company's ownership interest was reduced from approximately 52% to 33% following an equity financing completed by Maghreb in December 2004. Most other expense items were not materially different from the same period in the prior year.

Year to Date

The Company incurred a \$2,644,782 loss during the current year versus a \$1,134,579 loss in the prior year. This amounts to a \$1,510,203 (133%) increase over the prior year, which can be mainly attributed to a dilution gain of \$1,166,036 recorded by the Company after its ownership interest in Maghreb Minerals plc ("Maghreb") was reduced. The Company's ownership interest was reduced from approximately 52% to 33% following an equity financing completed by Maghreb in December 2004. Furthermore, the Company reported a non-recurring gain on disposition of marketable securities totalling \$572,055 in 2005. The Company reported other variations in its expenses, however, these variations did not cause any substantial change in its loss from operations versus the prior year.

LIQUIDITY

The Company does not currently own or have an interest in any producing mineral properties and does not derive any revenues from operations. The Company's activities have been funded through equity financing and the Company expects that it will continue to be able to utilize this source of financing until it develops cash flow from operations. There can be no assurance, however, that the Company will be successful in its efforts. If such funds are not available or other sources of finance cannot be obtained, then the Company will be forced to curtail its activities to a level for which funding is available or can be obtained.

As at June 30, 2006, the Company had a working capital position of \$2,863,217 (2005 – \$1,334,276) which included a cash balance of \$2,753,194 (2005 – \$1,161,066). Management believes that the Company has sufficient capital on hand to bring the Front Range project into production, perform preliminary exploration on its other ancillary gold projects in Nevada and meet general working capital requirements for the next 12 months.

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SELECTED FINANCIAL DATA

Financial results	Jun. 30, 2006	Mar. 31, 2006	Dec. 31, 2005	Sep. 30 2005
Net loss (income) for the period	1,947,313	286,501	47,476	363,492
Basic and diluted loss (earnings) per share	0.03	0.01	-	0.01
Balance sheet data				
Cash	2,753,194	219,118	325,822	200,316
Resource properties	4,512,032	4,205,866	4,112,693	3,986,765
Total assets	8,224,255	5,911,268	6,013,324	5,717,885
Shareholders' equity	8,108,625	5,581,779	5,715,789	5,531,403

Financial results	Jun. 30, 2005	Mar. 31, 2005	Dec. 31, 2004	Sep. 30 2004
Net loss (income) for the period	895,394	348,572	287,648	(397,035)
Basic and diluted loss (earnings) per share	0.02	0.01	0.01	(0.01)
Balance sheet data:				
Cash	1,161,066	2,044,852	2,279,947	2,106,402
Resource properties	3,399,074	2,958,592	2,094,631	1,643,696
Total assets	6,323,817	6,373,590	5,495,743	4,676,411
Shareholders' equity	6,132,562	6,219,217	5,245,652	3,784,746

SELECTED ANNUAL INFORMATION (\$)

	June 30, 2006	June 30, 2005	June 30, 2004
Financial results:			
Net loss for year	2,644,782	1,134,579	587,866
Basic and diluted loss per share	0.05	0.03	0.02
Expenditures on resource properties, net	1,112,958	2,023,365	676,333
Balance sheet data:			
Cash and short term deposits	2,753,194	1,161,066	1,961,880
Resource properties	4,512,032	3,399,074	1,375,709
Total assets	8,224,255	6,323,817	3,627,061
L/T Financial liabilities	-	-	-
Shareholders' equity	8,108,625	6,132,562	3,382,711

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CAPITAL RESOURCES

In April 2006, the Company issued 15,800,000 units at \$0.25 per unit for gross proceeds of \$3,950,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant is exercisable at a price of 40 cents per common share for a period of 24 months following the close of the offering. The agents received commissions of \$300,000 and 1.5 million warrants. Each agent warrant will entitle the owner to purchase a unit consisting of one common share and one common share purchase warrant, having the same terms as the subscribers' warrants, for a period of 24 months from the close of the offering at an exercise price of 25 cents per share.

In December 2005, the Company issued 1,000,000 units at \$0.20 per unit for gross proceeds of \$200,000. Each unit consisted of one flow-through share and one non flow-through warrant. In accordance with Canadian tax laws, these funds must be expended on qualifying exploration expenditures by December 31, 2006.

COMMITMENTS

The Company had no commitments at the end of the year except for the following:

- a) The Company is required to expend \$200,000 on qualifying exploration expenditures for its Dome property in accordance with the flow through financing completed in December 2005.
- b) The Company has a lease for corporate offices at 308 – 837 West Hastings Street, Vancouver, at a rate of \$900 per month. The lease expires December 31, 2007.
- c) The Company has a lease for corporate vehicle, at a rate of \$469 per month. The lease term is 48 months.
- d) The Company has a management services and consulting agreement with a director of the Company. The remuneration payable shall be \$2,500 per month for management services plus \$100 per hour for any time in excess of 25 hours per month for providing geological, financial, or other technical consulting services to the Company. The agreement ran until July 1, 2006.

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RELATED PARTY TRANSACTIONS

The following are related party transactions for the years ended June 30, 2006 and 2005:

	<u>2006</u>	<u>2005</u>
Geological, financial and technical consulting fees paid to directors and officers of the Company	\$ -	\$ 122,000
Management fees paid to directors and officers of the Company	262,570	-
Account receivable from a public company that shares two common directors	10,366	-
Investments in public companies that shares one or more common directors	400,005	1,048,028
Other income from a public company that shares a common director	\$ 54,998	\$ -

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

FINANCIAL AND OTHER INSTRUMENTS

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgement, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying value of cash and cash equivalents, receivables, accounts payable and accrued liabilities approximate their fair value because of the short-term nature of those instruments.

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OUTSTANDING SHARE DATA

a) Authorized share capital: unlimited common shares without par value

b) Issued and outstanding:

	Number of Common Shares	Amount
Balance at June 30, 2005	50,714,210	\$11,577,870
Options exercised	10,000	1,800
Private placement – Flow through	1,000,000	200,000
Renounced tax credits	-	(68,240)
Private placement	15,800,000	3,950,000
Options exercised	-	421
Share issue costs	-	(680,018)
Balance at June 30 and October 18, 2006	67,524,210	\$14,981,833

c) Number of shares held in escrow: Nil

Options

A summary of stock options outstanding at June 30, 2006 is as follows:

Expiry Date	Number of Shares	Weighted Average Exercise Price
May 2, 2007	260,000	\$0.10
February 5, 2008	526,000	0.10
April 16, 2009	3,300,000	0.18
January 10, 2010	2,390,000	0.18
January 3, 2011	2,490,000	0.18
Total	8,966,000	\$0.17

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Warrants

A summary of warrants outstanding at June 30, 2006 is as follows:

Expiry Date	Number of Shares	Weighted Average Exercise Price
December 23, 2006	4,500,000	\$0.60
December 23, 2006	270,000 *	0.60
January 25, 2007	1,825,000	0.60
March 2, 2007	320,000	0.60
July 4, 2007	100,000 *	0.25
July 4, 2007	1,000,000	0.25
April 21, 2008	15,800,000	0.40
April 21, 2008	1,500,000 *	0.40
Total	25,315,000	\$0.45

* Designates warrants issued to agents or as finder's fees.

SUBSEQUENT EVENTS

Subsequent to the end of the period the Company entered into an option agreement with Reese Corp. on the Bailey Hills property. The agreement gives Reese the option to earn an 80% interest in the property with an upfront cash payment of US\$25,000 and expenditures of US\$4 million within a three year period, payable as follows: US\$1,000,000 in the first year, US\$1,500,000 in the second year and US\$1,500,000 in the third year.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements requires the Company to select from possible alternative accounting principles, and to make estimates and assumptions that determine the reported amounts of assets and liabilities at the balance sheet date and reported costs and expenditures during the reporting period. Estimates and assumptions may be revised as new information is obtained, and are subject to change. The Company's accounting policies and estimates used in the preparation of the financial statements are considered appropriate in the circumstances, but are subject to judgments and uncertainties inherent in the financial reporting process.

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Property acquisition costs and related direct exploration costs may be deferred until the properties are placed into production, sold, abandoned, or written down, where appropriate. The Company's accounting policy is to capitalize exploration costs consistent with Canadian GAAP and applicable guidelines for exploration stage companies. The policy is consistent with other junior exploration companies which have not established mineral reserves objectively. An alternative policy would be to expense these costs until sufficient work has been done to determine that there is a probability a mineral reserve can be established; or alternatively, to expense such costs until a mineral reserve has been objectively established. Management is of the view that its current policy is appropriate for the Company at this time. Based on annual impairment reviews made by management, or earlier if circumstances warrant, in the event that the long-term expectation is that the net carrying amount of these capitalized exploration costs will not be recovered, then the carrying amount is written down accordingly and the write-down charged to operations. A write-down may be warranted in situations where a property is to be sold or abandoned; or exploration activity ceases on a property due to unsatisfactory results or insufficient available funding.

Another significant estimate relates to accounting for stock-based compensation. Option pricing models require the input of highly subjective assumptions, including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options granted/vested during the year

RISKS AND UNCERTAINTIES

The Company is in the mineral exploration and development business and as such is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Some of the possible risks include the following:

- a) The industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates.
- b) The only source of future funds for further exploration programs, or if such exploration programs are successful for the development of economic ore bodies and commencement of commercial production thereon, which are presently available to the Company are the sale of equity capital or the offering by the Company of an interest in its properties to be earned by another party carrying out further exploration or development. Management was successful in accessing the equity markets during the period, but there is no assurance that such sources will be available on acceptable terms in the future.
- c) Any future equity financings by the Company for the purpose of raising additional capital may result in substantial dilution to the holdings of existing shareholders.
- d) The Company must comply with environmental regulations governing air and water quality and land disturbance and provide for mine reclamation and closure costs.

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- e) The operations of the Company will require various licenses and permits from various governmental authorities. There is no assurance that the Company will be successful in obtaining the necessary licenses and permits to continue its exploration and development activities in the future.

- f) There is no certainty that the properties which the Company has deferred as assets on its balance sheet will be realized at the amounts recorded. These amounts should not be taken to reflect realizable value.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on any forward-looking statements. The Company has not completed a feasibility study on any of its deposits to determine if it hosts a mineral resource that can be economically developed and profitably mined.

OTHER INFORMATION

The Company announced that Sean McGrath, BComm. (Hons), CGA, CPA has replaced Alec Peck as chief financial officer of the Company effective September 1, 2006.

Additional information is available on the Company's website at www.cgmltd.com or on SEDAR at www.sedar.com.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

DISCLOSURE AND INTERNAL CONTROLS

Disclosure controls and procedures have been established to provide reasonable assurance that material information relating to the Company is made known to management, particularly during the period in which annual filings are being prepared. Furthermore, internal controls over financial reporting have been established to ensure the Company's assets are safeguarded and to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Canadian GAAP.

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Management has evaluated the effectiveness of the Company's disclosure and internal controls as of the end of its most recent fiscal year and considers them to be adequate. However, management is committed to improving its disclosure controls and internal controls over financial reporting in an effort to provide the users of its annual and interim financial reports with the most relevant and reliable information possible.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

Except for historical information contained in this discussion and analysis, disclosure statements contained herein are forward-looking. Forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from those in such forward-looking statements. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements.

CORPORATE INFORMATION

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Stuart Tennant

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