

**INTERIM FINANCIAL STATEMENTS**

**STRATABOUND MINERALS CORP.**  
(Unaudited – Prepared by Management)

**March 31, 2006**

# Stratabound Minerals Corp.

## BALANCE SHEET

(Unaudited – Prepared by Management)

	<b>March 31, 2006</b>	<b>December 31, 2005</b>
	\$	\$
<b>ASSETS</b>		
<b>Current</b>		
Cash	185,420	325,874
Marketable securities	329	329
Accounts receivable	29,457	8,069
Provincial resource tax credit receivable	24,512	24,512
Prepaid costs	45,000	—
	<u>284,718</u>	<u>358,784</u>
<b>Property and equipment</b>	<b>4,348</b>	<b>4,684</b>
<b>Mineral properties [note 2]</b>	<b>3,592,695</b>	<b>3,532,383</b>
	<u><b>3,881,761</b></u>	<u><b>3,895,851</b></u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	70,214	52,135
	<u>41,000</u>	<u>34,500</u>
<b>Future income taxes</b>	<b>41,000</b>	<b>34,500</b>
	<u>41,000</u>	<u>34,500</u>
<b>Shareholders' equity</b>		
Share capital [note 3]	8,887,025	8,887,025
Contributed surplus	85,475	85,475
Deficit	(5,201,953)	(5,163,284)
	<u>3,770,547</u>	<u>3,809,216</u>
	<u><b>3,881,761</b></u>	<u><b>3,895,851</b></u>

*See accompanying notes*

Approved on behalf of the Board of Directors:

“Stan Stricker” \_\_\_\_\_ Director “Michael Mann” \_\_\_\_\_ Director

## Stratabound Minerals Corp.

### STATEMENT OF OPERATIONS AND DEFICIT

Three months ended March 31

(Unaudited – Prepared by Management)

	<b>2006</b>	<b>2005</b>
	\$	\$
<b>Revenues</b>	<b>1,208</b>	696
<b>Expenses</b>		
Salaries and benefits	13,276	11,065
Professional fees	7,581	1,500
Filing fees and investor communications	5,807	6,893
Office and other	5,327	10,932
Rent	1,050	900
Amortization	336	290
	<b>33,377</b>	31,580
<b>Net loss before income taxes</b>	<b>32,169</b>	30,884
<b>Income taxes</b>		
Future income tax	6,500	—
	<b>38,669</b>	30,884
Net loss for the period	<b>38,669</b>	30,884
Deficit, beginning of period	<b>5,163,284</b>	5,162,110
<b>Deficit, end of period</b>	<b>5,201,953</b>	5,192,994
<b>Basic loss per share</b>	<b>0.002</b>	0.002
<b>Diluted loss per share</b>	<b>0.002</b>	0.002

*See accompanying notes*

# Stratabound Minerals Corp.

## STATEMENT OF CASH FLOWS

Three months ended March 31

(Unaudited – Prepared by Management)

	<b>2006</b>	<b>2005</b>
	\$	\$
<b>CASH PROVIDED BY (USED IN)</b>		
<b>Operating</b>		
Net loss for the period	(38,669)	(30,884)
Items not involving cash		
Depletion and amortization	336	290
Future income taxes	6,500	—
<b>Funds from operations</b>	<b>(31,833)</b>	<b>(30,594)</b>
Net change in non-cash working capital	(48,309)	118,306
	<b>(80,142)</b>	<b>87,712</b>
<b>Investing</b>		
Expenditures on mineral properties	(80,312)	(212,334)
Government incentives	20,000	—
	<b>(60,312)</b>	<b>(212,334)</b>
<b>Decrease in cash for the period</b>	<b>(140,454)</b>	<b>(124,622)</b>
Cash, January 1	325,874	219,078
<b>Cash, March 31</b>	<b>185,420</b>	<b>94,456</b>

*See accompanying notes*

# Stratabound Minerals Corp.

## NOTES TO INTERIM FINANCIAL STATEMENTS

March 31, 2006 and 2005

(Unaudited – Prepared by Management)

The Company's auditors have not audited nor have they performed a review of these interim financial statements. The unaudited interim financial statements for the period ended March 31, 2006 have been prepared by management in accordance with Canadian generally accepted accounting principles and follow the same accounting policies as the financial statements for the fiscal year ended December 31, 2005. The unaudited interim financial statements should be read in conjunction with the financial statements and the notes therein for the fiscal year ended December 31, 2005.

### 1. FUTURE OPERATIONS

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

These financial statements have been prepared on the going concern basis and do not include any adjustments that may be required should the Company be unable to continue as a going concern. The amounts shown as mineral properties costs represent net costs to date, less amounts written off, and do not necessarily represent present or future values. The recoverability of the cost of mineral properties is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition of properties.

### 2. MINERAL PROPERTIES

The Company has capitalized expenditures related to the mineral properties summarized as follows:

	Bathurst, N.B.	Otish Mountains, Que.	Ramsay Brook, N.B.	Elmtree, N.B.	Enja, Que.	Three months 2006
	\$	\$	\$	\$	\$	\$
<b>Cost – January 1, 2006</b>	<b>2,623,484</b>	<b>198,012</b>	<b>241,460</b>	<b>406,263</b>	<b>63,164</b>	<b>3,532,383</b>
Acquisition & renewals	189	5,716	—	—	—	5,905
Assays and analyses	—	1,740	—	—	—	1,740
Drilling	—	—	—	6,838	—	6,838
Geology and prospecting	3,930	3,245	2,450	26,292	668	36,585
Geophysics	—	—	—	17,665	—	17,665
Line-cutting	—	—	—	5,579	—	5,579
Salaries and benefits	300	300	300	4,800	300	6,000
Stock-based compensation	—	—	—	—	—	—
Government incentives	—	—	—	(20,000)	—	(20,000)
<b>Cost – March 31, 2006</b>	<b>2,627,903</b>	<b>209,013</b>	<b>244,210</b>	<b>447,437</b>	<b>64,132</b>	<b>3,592,695</b>

# Stratabound Minerals Corp.

## NOTES TO INTERIM FINANCIAL STATEMENTS

March 31, 2006 and 2005

(Unaudited – Prepared by Management)

### 2. MINERAL PROPERTIES (CONT'D)

	<b>Bathurst, N.B. \$</b>	<b>Otish Mountains, Que. \$</b>	<b>Ramsay Brook, N.B. \$</b>	<b>Elmtree, N.B. \$</b>	<b>Enja, Que. \$</b>	<b>Three months 2005 \$</b>
<b>Cost – January 1, 2005</b>	<b>2,561,135</b>	<b>163,864</b>	<b>139,512</b>	<b>158,949</b>	<b>—</b>	<b>3,023,460</b>
Acquisition & renewals	187	—	—	—	28,477	28,664
Assays and analyses	—	30,000	—	6,790	—	36,790
Drilling	—	—	—	92,712	—	92,712
Geology and prospecting	—	1,067	328	7,725	18,331	27,451
Geophysics	—	—	—	—	21,717	21,717
Line-cutting	—	—	—	—	—	—
Salaries and benefits	—	—	—	4,000	1,000	5,000
Stock-based compensation	—	—	—	—	—	—
Government incentives	—	—	—	—	—	—
<b>Cost – March 31, 2005</b>	<b>2,561,322</b>	<b>194,931</b>	<b>139,840</b>	<b>270,176</b>	<b>69,525</b>	<b>3,235,794</b>

### 3. SHARE CAPITAL

#### Authorized

An unlimited number of common shares, without nominal or par value

#### Issued

	<b>Number of shares</b>	<b>Amount \$</b>
March 31, 2006 and December 31, 2005	21,221,162	8,887,025

# Stratabound Minerals Corp.

## NOTES TO INTERIM FINANCIAL STATEMENTS

March 31, 2006 and 2005

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### 3. SHARE CAPITAL (CONT'D)

#### Stock options outstanding

<b>Number of Options</b>	<b>Exercise Price \$</b>	<b>Expiry Date</b>
200,000	0.50	Apr. 17, 2006
500,000	0.22	Aug. 2, 2007
250,000	0.20	Mar. 5, 2009
425,000	0.15	Apr. 21, 2010
<b>Total</b>	<b>1,375,000</b>	

#### Share purchase warrants outstanding

<b>Number of Warrants</b>	<b>Exercise Price \$</b>	<b>Expiry Date</b>
177,500	0.15	June 28, 2006
1,576,000	0.15	July 25, 2006
210,000	0.20	Oct. 14, 2006
185,000	0.30	Dec. 10, 2006
125,000	0.20	Dec. 23, 2006
1,477,447	0.22	May 17, 2007
930,000	0.20	July 28, 2007
64,875	0.18/0.25	Nov. 7, 2006/ Nov. 7, 2007
400,000	0.18/0.25	Dec. 22, 2006/ Dec. 22, 2007
<b>Total</b>	<b>5,145,822</b>	