

Notice of No-Auditor Review of Interim Financial Statements

Under National Instrument 51-102, "Continuous Disclosure Obligations", 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 company's external auditors, Collins Barrow Calgary LLP, have not performed a review of these financial statements.

Anglo Minerals Ltd.
Consolidated Balance Sheet

March 31, 2006

(see note 1 - Nature of entity and future operations)

	March 31, 2006 <i>(unaudited)</i>	June 30, 2005 <i>(audited)</i>
Assets		
Current assets		
Cash	\$ 4,829,480	\$ 4,562,989
Accounts receivable	26,293	10,054
Deposits	<u>235,830</u>	<u>20,000</u>
	5,091,603	4,593,043
Mineral properties and deferred costs (Schedule)	<u>1,058,807</u>	<u>568,839</u>
	<u>\$ 6,150,410</u>	<u>\$ 5,161,882</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 110,288	\$ 59,935
Due to an officer and director	3,102	1,521
Future income taxes	<u>724,666</u>	<u>994,304</u>
	838,056	1,055,760
Future income taxes	<u>304,947</u>	<u>162,599</u>
	<u>1,143,003</u>	<u>1,218,359</u>
Shareholders' Equity		
Share capital (note 3)	3,121,310	1,926,707
Contributed surplus	485,286	435,086
Retained earnings	<u>1,400,811</u>	<u>1,581,730</u>
	<u>5,007,407</u>	<u>3,943,523</u>
	<u>\$ 6,150,410</u>	<u>\$ 5,161,882</u>

Approved by the Board,

(signed) "Todd Montgomery", Director

(signed) "Randy Ludwar", Director

Anglo Minerals Ltd.

Consolidated Statement of Income (Loss) and Retained Earnings

(see note 1 - Nature of entity and future operations)

(unaudited)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2006	2005	2006	2005
Revenue				
Option payment	\$ -	\$ 377,944	\$ -	\$ 377,944
Interest income	<u>32,847</u>	<u>208</u>	<u>89,148</u>	<u>208</u>
	<u>32,847</u>	<u>378,152</u>	<u>89,148</u>	<u>378,152</u>
Expenses				
Advertising and promotion	27,413	-	\$ 78,714	\$ -
Bank charges and other	336	90	521	1,166
Consulting fees	32,132	12,772	94,625	29,508
Office	10,204	16,666	26,005	26,857
Professional fees	28,986	9,623	73,721	21,812
Stock-based compensation	61,250	-	90,000	-
Transfer agent costs	<u>2,723</u>	<u>2,480</u>	<u>5,815</u>	<u>5,952</u>
	<u>163,044</u>	<u>41,631</u>	<u>369,401</u>	<u>85,295</u>
Income (loss) before the following	(130,197)	336,521	(280,253)	292,857
Recovery of amount due from an officer and director	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,472</u>
Income (loss) before income taxes	(130,197)	336,521	(280,253)	298,329
Future income tax recovery	<u>63,404</u>	<u>-</u>	<u>99,334</u>	<u>-</u>
Net income (loss)	(66,793)	336,521	(180,919)	298,329
Retained earnings (deficit), beginning of period	<u>1,467,604</u>	<u>(1,380,871)</u>	<u>1,581,730</u>	<u>(1,342,679)</u>
Retained earnings (deficit), end of period	<u>\$ 1,400,811</u>	<u>\$ (1,044,350)</u>	<u>\$ 1,400,811</u>	<u>\$ (1,044,350)</u>
Basic and diluted net income (loss) per share	<u>\$ (0.00)</u>	<u>\$ 0.01</u>	<u>\$ (0.01)</u>	<u>\$ 0.01</u>
Weighted average number of shares outstanding				
- voting	23,290,721	16,815,721	23,177,306	16,487,416
- non-voting	<u>-</u>	<u>22,950,000</u>	<u>-</u>	<u>22,950,000</u>
	<u>23,290,721</u>	<u>39,765,721</u>	<u>23,177,306</u>	<u>39,437,416</u>

Anglo Minerals Ltd.

Consolidated Statement of Cash Flows

(see note 1 - Nature of entity and future operations)
(unaudited)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2006	2005	2006	2005
Operating activities				
Net income (loss)	\$ (66,793)	\$ 336,521	\$ (180,919)	\$ 298,329
Items not involving cash				
Stock-based compensation	61,250	-	90,000	-
Future income tax recovery	(63,404)	-	(99,334)	-
Recovery of amount due from an officer and director	-	-	-	(5,472)
Option payment received in excess of mineral property and deferred costs	-	(377,944)	-	(377,944)
	(68,947)	(41,423)	(190,253)	(85,087)
Changes in non-cash working capital balances relating to operating activities (note 4)	655	(90,632)	3,232	(72,687)
	<u>(68,292)</u>	<u>(132,055)</u>	<u>(187,021)</u>	<u>(157,774)</u>
Financing activities				
Advances (repayment of advances) from an officer and director	-	(1,912)	-	481
Repayment of loans payable	-	(3,500)	-	(3,500)
Proceeds on issuance of shares	1,210,000	462,500	1,210,000	487,500
Share issuance costs	(83,153)	-	(83,153)	(1,000)
	<u>1,126,847</u>	<u>457,088</u>	<u>1,126,847</u>	<u>483,481</u>
Investing activities				
Repayment of advances to an officer and director, net	-	-	-	5,472
Additions to mineral properties and deferred costs, net of recoveries	(300,162)	(383,589)	(489,968)	(388,589)
Proceeds on disposal of mineral properties and deferred costs	-	960,659	-	960,659
Changes in non-cash working capital balances relating to investing activities (note 4)	(106,836)	(30,388)	(183,367)	(30,388)
	<u>(406,998)</u>	<u>546,682</u>	<u>(673,335)</u>	<u>547,154</u>
Cash inflow	651,557	871,715	266,491	872,861
Cash, beginning of period	<u>4,177,923</u>	<u>16,964</u>	<u>4,562,989</u>	<u>15,818</u>
Cash, end of period	<u>\$ 4,829,480</u>	<u>\$ 888,679</u>	<u>\$ 4,829,480</u>	<u>\$ 888,679</u>

Anglo Minerals Ltd.

Consolidated Schedule of Mineral Properties and Deferred Costs

(see note 1 - Nature of entity and future operations)
(unaudited)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2006	2005	2006	2005
Potash Project				
Mineral properties and exploration expenses				
Balance, beginning of period	\$ 307,793	\$ -	\$ 83,476	\$ -
Additions	-	371,440	-	371,440
Applications approved- transferred from deposits on permit applications	<u>37,036</u>	<u>-</u>	<u>261,353</u>	<u>-</u>
Balance, end of period	<u>344,829</u>	<u>371,440</u>	<u>344,829</u>	<u>371,440</u>
Deferred costs				
Balance, beginning of period	228,295	-	96,639	-
Additions	<u>300,162</u>	<u>11,881</u>	<u>431,818</u>	<u>11,881</u>
Balance, end of period	<u>528,457</u>	<u>11,881</u>	<u>528,457</u>	<u>11,881</u>
Deposits on permit applications				
Balance, beginning of period	222,557	-	388,724	-
Additions	-	-	58,150	-
Applications approved- transferred to mineral properties and exploration expenses	<u>(37,036)</u>	<u>-</u>	<u>(261,353)</u>	<u>-</u>
Balance, end of period	<u>185,521</u>	<u>-</u>	<u>185,521</u>	<u>-</u>
Total costs	<u>\$ 1,058,807</u>	<u>\$ 383,321</u>	<u>\$ 1,058,807</u>	<u>\$ 383,321</u>
Firebag Coal Project				
Mineral properties and exploration expenses				
Balance, beginning of period	\$ -	\$ 327,010	\$ -	\$ 327,010
Proceeds on disposition	<u>-</u>	<u>(327,010)</u>	<u>-</u>	<u>(327,010)</u>
Balance, end of period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred costs				
Balance, beginning of period	-	255,437	-	250,437
Additions	-	268	-	5,268
Proceeds on disposition	<u>-</u>	<u>(255,705)</u>	<u>-</u>	<u>(255,705)</u>
Balance, end of period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Project Costs for the Period				
Mineral properties and exploration expenses				
	\$ 344,829	\$ 371,440	\$ 344,829	\$ 371,440
Deferred costs	528,457	11,881	528,457	11,881
Deposits on permit applications	<u>185,521</u>	<u>-</u>	<u>185,521</u>	<u>-</u>
Total costs	<u>\$ 1,058,807</u>	<u>\$ 383,321</u>	<u>\$ 1,058,807</u>	<u>\$ 383,321</u>

Anglo Minerals Ltd.
Notes to Consolidated Financial Statements
March 31, 2006
(unaudited)

1. Nature of entity and future operations

The company is engaged in the business of mineral exploration and development. The company is devoted to the exploration of natural resources and the acquisition of mineral rights. The company has yet to determine whether these properties contain economically recoverable reserves. The recoverability of the amounts shown for mineral properties and deferred costs is dependent on the existence of economically recoverable reserves and future profitable production from the mineral properties. To date, no development projects have been completed and no production commenced. Also, no significant revenues have been earned and the company is considered to be in the development stage.

2. Significant accounting policies

The accounting policies of the interim consolidated financial statements are the same as those described in the company's June 30, 2005 audited consolidated financial statements, except as discussed below. The disclosures in the interim consolidated financial statements do not conform in all respects to the requirements of Canadian generally accepted accounting principles for annual financial statements. The interim consolidated financial statements should be read in conjunction with the June 30, 2005 consolidated financial statements.

Flow-through shares

The company, from time to time, issues flow-through shares to finance a portion of its capital exploration and development activities. The resource expenditure deductions for income tax purposes related to exploratory and development activities funded by flow-through share arrangements are renounced to investors in accordance with tax legislation. The estimated values of the tax pools foregone is reflected as a reduction in share capital with a corresponding increase in future income tax liability when the income tax deductions are renounced.

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3. Share capital

(a) Authorized

Unlimited number of voting common shares
 Unlimited number of non-voting common shares
 Unlimited number of preferred shares issuable in series with
 such rights and restrictions as the directors may
 determine prior to issuance

(b) Issued

	Nine Months Ended March 31,			
	2006		2005	
	Number	Stated Value	Number	Stated Value
Common shares - voting				
Balance, beginning of period	<u>23,121,832</u>	<u>\$ 2,051,729</u>	<u>16,326,832</u>	<u>\$ 1,516,997</u>
Private placement (note 3[c])	1,500,000	787,500	1,000,000	50,000
Stock options exercised	3,200,000	422,500	-	-
Reallocation of contributed surplus relating to stock options exercised	<u>-</u>	<u>65,000</u>	<u>-</u>	<u>-</u>
	<u>4,700,000</u>	<u>1,275,000</u>	<u>1,000,000</u>	<u>50,000</u>
Balance, end of period	<u><u>27,821,832</u></u>	<u>3,326,729</u>	<u><u>17,326,832</u></u>	<u>1,566,997</u>
Common shares - non-voting				
Balance, beginning and end of period	<u>-</u>	<u>-</u>	<u>22,950,000</u>	<u>472,318</u>
		<u>3,326,729</u>		<u>2,039,315</u>
Less: Share issuance costs				
Balance, beginning of period		125,022		122,237
Additions (net of income tax benefit of \$27,956; 2004 - \$NIL)		<u>80,397</u>		<u>1,000</u>
Balance, end of period		<u>205,419</u>		<u>123,237</u>
		<u><u>\$ 3,121,310</u></u>		<u><u>\$ 1,916,078</u></u>

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(c) The private placement consisted of 750,000 common shares at \$0.50 per share and 750,000 flow-through common shares at \$0.55 per share. Costs of issuance aggregated \$83,153. In addition, the company granted its agent an option, as more fully disclosed in note 5(c).

4. Statement of cash flows

Change in non-cash working capital

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2006	2005	2006	2005
Operating activities				
Decrease (increase) in accounts receivable	\$ 1,725	\$ (1,981)	\$ 4,772	\$ (1,041)
Decrease in accounts payable	(1,184)	(88,651)	(3,121)	(71,646)
Increase in due to an officer and director	<u>114</u>	<u>-</u>	<u>1,581</u>	<u>-</u>
	<u>\$ 655</u>	<u>\$ (90,632)</u>	<u>\$ 3,232</u>	<u>\$ (72,687)</u>
Investing activities				
Increase in accounts receivable	\$ (14,406)	\$ -	\$ (21,011)	\$ -
Increase in accounts payable	48,400	-	53,474	-
Increase in deposits	(140,830)	-	(215,830)	-
Increase in prepaid expenses	<u>-</u>	<u>(30,388)</u>	<u>-</u>	<u>(30,388)</u>
	<u>\$ (106,836)</u>	<u>\$ (30,388)</u>	<u>\$ (183,367)</u>	<u>\$ (30,388)</u>

5. Stock- based compensation

(a) The company has a stock option plan under which directors, officers, management, consultants and employees of the company are eligible to receive stock options. The maximum number of shares granted to any one optionee shall not exceed 5% of outstanding common shares of the company. Options granted under the plan generally have a term of five years but may not exceed five years and vest as to 25% on each of the days which is 6, 12, 18, and 24 months after being granted. The exercise price of each option shall be determined by the directors at the time of grant but shall not be less than the price permitted by the stock exchange(s) on which the company's common shares are then listed.

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The company records stock-based compensation expense upon vesting of options issued to directors, employees or consultants. When stock options are exercised, the amount originally credited to contributed surplus for these options is reallocated to share capital.

A summary of the status of the company's stock option plan as at March 31, 2006 and 2005 is as follows:

	March 31, 2006		March 31, 2005	
	Number of Options	Weighted- Average Exercise Price	Number of Options	Weighted- Average Exercise Price
Outstanding, beginning and end of period	3,200,000	\$ 0.13	2,550,000	\$ 0.13
Granted	2,500,000	0.56	650,000	0.14
Exercised	<u>(3,200,000)</u>	0.13	<u>-</u>	-
Outstanding, end of period	<u>2,500,000</u>	\$ 0.56	<u>3,200,000</u>	\$ 0.13
Exercisable, end of period	<u>-</u>	\$ -	<u>2,550,000</u>	\$ 0.13

During the nine month period ended March 31, 2006, a resolution was passed that all remaining stock options of the 3,200,000 outstanding stock options vest immediately.

During the nine months ended March 31, 2006, stock-based compensation costs of \$65,000 (2005 - \$NIL) have been expensed, relating to options vesting in the period, resulting in the recognition of \$65,000 (2005 - \$NIL) in contributed surplus.

- (b) During the nine months ended March 31, 2006, the company entered into a one-year services contract with a consultant under which the consultant will supply investor relations services. The terms of the contract may be renegotiated from time-to-time. The consultant was granted options to purchase 250,000 common shares of the company from the company's directors and officers at an exercise price of \$0.40 per share. The options vest in increments of 25% every three months from the date of issuance and expire on the later of two years from the date of grant or 90 days from termination of the contract.

Although these options were not issued by the company, the company receives a benefit equal to the value of these payments.

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The weighted-average fair value of each of these stock options was estimated on the date of grant to be \$0.20 using the Black-Scholes option-pricing model with the following weighted-average assumptions:

Expected life (years)	2.00
Risk-free interest rate (%)	3.15
Expected volatility (%)	90
Expected dividends (\$/share)	-

A summary of the status of the stock options, issued by the company's directors and officers, as at March 31, 2006 and 2005 is as follows:

	March 31, 2006		March 31, 2005	
	Number of Options	Weighted- Average Exercise Price	Number of Options	Weighted- Average Exercise Price
Outstanding, beginning and end of period	<u>250,000</u>	\$ 0.40	<u>-</u>	\$ -

The following table summarizes information about stock options outstanding and exercisable at March 31, 2006:

Exercise Price	Number	Remaining Contractual Life
\$ 0.40	<u>125,000</u>	1.67 years

During the nine months ended March 31, 2006, stock-based compensation costs of \$25,000 (2005 - \$NIL) have been expensed, relating to options issued by directors and officers, vesting in the period, resulting in the recognition of \$25,000 (2005 - \$NIL) in contributed surplus.

- (c) During the nine months ended March 31, 2006, the company granted options to Union Securities, the underwriter of the private placement, to purchase 105,000 common shares of the company at an exercise price of \$0.50 per share. The options vested upon granting on March 23, 2006.

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The weighted-average fair value of each of these stock options was estimated on the date of grant to be \$0.24 using the Black-Scholes option-pricing model with the following weighted-average assumptions:

Expected life (years)	1.00
Risk-free interest rate (%)	4.00
Expected volatility (%)	90
Expected dividends (\$/share)	-

A summary of the status of the agent's stock options as at March 31, 2006 and 2005 is as follows:

	March 31, 2006		March 31, 2005	
	Number of Options	Weighted- Average Exercise Price	Number of Options	Weighted- Average Exercise Price
Outstanding, beginning of period	-	\$ -	-	\$ -
Granted	<u>105,000</u>	0.50	<u>-</u>	-
Outstanding, end of period	<u><u>105,000</u></u>	\$ 0.50	<u><u>-</u></u>	\$ -

The following table summarizes information about stock options outstanding and exercisable at March 31, 2006:

Exercise Price	Number	Remaining Contractual Life
\$ 0.50	<u><u>105,000</u></u>	0.98 years

During the nine months ended March 31, 2006, share issue costs of \$25,200 (2005 - \$NIL) have been recorded, relating to options issued by the company, vesting in the period, resulting in the recognition of \$25,200 (2005 - \$NIL) in contributed surplus.

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6. Related party transactions

- (a) During the nine months ended March 31, 2006, the company paid consulting fees of \$NIL (2005 - \$15,000) to the president of the company. The company also paid management fees totaling \$54,000 (2005 - \$NIL) to a company wholly owned by the president of the company. The total amount owing to the president's company of \$7,061 (2005 - \$NIL) is included in accounts payable and accrued liabilities.
- (b) During the nine months ended March 31, 2006, a director provided the company with accounting services of \$6,265 (2005 - \$4,773). The total amount owing to the director of \$2,080 (2005 - \$1,784) is included in accounts payable and accrued liabilities.
- (c) During the nine months ended March 31, 2006, a legal practice owned by a director provided the company with legal services of \$24,004 (2005 - \$4,478). The total amount owing to the director's legal practice of \$1,558 (2005 - \$NIL) is included in accounts payable and accrued liabilities.

Management is of the opinion that these transactions are in the normal course of operations and are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.