

**BALANCE SHEET**

|  | <b>SEPTEMBER 30<br/>2006</b> | <b>DECEMBER 31<br/>2005</b> |
|--|------------------------------|-----------------------------|
|  | <b>(unaudited)<br/>\$</b>    | <b>(audited)<br/>\$</b>     |
| <b>ASSETS</b>                                |                              |                             |
| <b>CURRENT ASSETS</b>                        |                              |                             |
| Cash   | 70,566                       | 34,036                      |
| Accounts receivable and tax credit           | 24,884                       | 24,134                      |
| Term deposit                                 | 827,105                      | 254,033                     |
| Prepaid expenses                             | <u>6,164</u>                 | <u>1,771</u>                |
|  | 928,719                      | 313,974                     |
| Restricted cash for exploration expenditures | 172,895                      | 10,000                      |
| Fixed assets                                 | 5,824                        | 4,017                       |
| Mining properties (Note 2)                   | 381,805                      | 372,605                     |
| Deferred exploration expenditures (Note 3)   | <u>3,954,120</u>             | <u>3,717,015</u>            |
|  | <u><u>5,443,363</u></u>      | <u><u>4,417,611</u></u>     |
| <b>LIABILITIES</b>                           |                              |                             |
| <b>CURRENT LIABILITIES</b>                   |                              |                             |
| Accounts payable and accrued charges         | 73,921                       | 148,830                     |
| Current portion of long-term debt            | <u>112</u>                   | <u>970</u>                  |
|  | 74,033                       | 149,800                     |
| Future income and mining taxes               | <u>1,022,243</u>             | <u>938,243</u>              |
|  | <u>1,096,276</u>             | <u>1,088,043</u>            |
| <b>SHAREHOLDERS' EQUITY</b>                  |                              |                             |
| Capital stock (Note 4)                       | 26,291,564                   | 26,176,389                  |
| Warrants                                     | 1,221,050                    | 200,300                     |
| Contributed surplus                          | 1,138,135                    | 840,695                     |
| Deficit                                      | <u>(24,303,662)</u>          | <u>(23,887,816)</u>         |
|  | <u>4,347,087</u>             | <u>3,329,568</u>            |
|  | <u><u>5,443,363</u></u>      | <u><u>4,417,611</u></u>     |

ON BEHALF OF THE BOARD,

(s) Donald Lacasse, Director  
(s) Jean-Marie Dupont, Director

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**STATEMENT OF DEFERRED EXPLORATION EXPENDITURES**

Three-month periods ended September 30 / Nine-month periods ended September 30

|  | <b>2006</b>             | <b>2005</b>             | <b>2006</b>             | <b>2005</b>             |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| <b>(unaudited)</b>                                   | \$                      | \$                      | \$                      | \$                      |
| <b>EXPLORATION COST</b>                              |                         |                         |                         |                         |
| Consultants and subcontractors                       | 63,041                  | 24,913                  | 146,389                 | 89,698                  |
| Drilling   | 49,711                  | -                       | 49,711                  | 149,916                 |
| Analysis   | 9,347                   | -                       | 15,734                  | -                       |
| General exploration expenses                         | <u>15,542</u>           | <u>3,994</u>            | <u>25,271</u>           | <u>32,170</u>           |
|  | <u>137,641</u>          | <u>28,907</u>           | <u>237,105</u>          | <u>271,784</u>          |
| <b>INCREASE OF DEFERRED EXPLORATION EXPENDITURES</b> |                         |                         |                         |                         |
|  | 137,641                 | 28,907                  | 237,105                 | 271,784                 |
| <b>BALANCE, BEGINNING</b>                            |                         |                         |                         |                         |
|  | <u>3,816,479</u>        | <u>3,564,526</u>        | <u>3,717,015</u>        | <u>3,321,649</u>        |
| <b>BALANCE, ENDING</b>                               |                         |                         |                         |                         |
|  | <u><u>3,954,120</u></u> | <u><u>3,593,433</u></u> | <u><u>3,954,120</u></u> | <u><u>3,593,433</u></u> |

**EARNINGS**

Three-month periods ended September 30 / Nine-month periods ended September 30

| <b>(unaudited)</b>                      | <b>2006</b>    | <b>2005</b>    | <b>2006</b>    | <b>2005</b>    |
|---|----------------|----------------|----------------|----------------|
|   | \$             | \$             | \$             | \$             |
| <b>INTEREST REVENUE AND OTHER</b>       | 2,112          | 3,542          | 8,118          | 6,300          |
|   | -----          | -----          | -----          | -----          |
| <b>ADMINISTRATIVE EXPENSES</b>          |                |                |                |                |
| Experts and subcontractors              | 31,614         | 40,800         | 93,375         | 68,800         |
| Salaries and employee benefits          | 28,341         | 25,178         | 82,204         | 71,486         |
| Professional fees                       | 6,519          | 26,572         | 62,117         | 85,143         |
| Travelling expenses and entertainment   | 28,349         | 981            | 43,105         | 15,824         |
| Information to shareholders             | 14,145         | 4,352          | 21,108         | 16,718         |
| Listing and registration fees           | 2,457          | 2,704          | 28,123         | 13,661         |
| Rent and occupancy costs                | 1,400          | 1,100          | 3,150          | 3,350          |
| Stationery and office supplies          | 1,236          | 2,006          | 7,770          | 3,405          |
| Insurance, taxes and licenses           | 5,278          | 10,477         | 22,632         | 23,420         |
| Interest on long-term debt              | 11             | 52             | 66             | 184            |
| Interest and bank charges               | 285            | 223            | 1,500          | 726            |
| General administrative expenses         | 8,507          | 21,177         | 26,971         | 42,570         |
| Stock-based compensation                | 16,700         | -              | 33,400         | 37,250         |
| Amortization of fixed assets            | 363            | 368            | 943            | 1,197          |
| Gain on disposal of fixed assets        | <u>(2,500)</u> | <u>-</u>       | <u>(2,500)</u> | <u>-</u>       |
|   | <u>142,705</u> | <u>135,990</u> | <u>423,964</u> | <u>383,734</u> |
| <b>NET LOSS</b>                         | <u>140,593</u> | <u>132,448</u> | <u>415,846</u> | <u>377,434</u> |
| <b>BASIC AND DILUTED LOSS PER SHARE</b> | <u>0,00</u>    | <u>0,00</u>    | <u>0,01</u>    | <u>0,00</u>    |

**RADISSON MINING RESOURCES INC.****DEFICIT**

Three-month periods ended September 30 / Nine-month periods ended September 30

|                           | <b>2006</b>         | <b>2005</b>         | <b>2006</b>         | <b>2005</b>         |
|---------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>(unaudited)</b>        | \$                  | \$                  | \$                  | \$                  |
| <b>BALANCE, BEGINNING</b> | (24,163,069)        | (23,590,094)        | (23,887,816)        | (23,345,108)        |
| Net loss                  | <u>(140,593)</u>    | <u>(132,448)</u>    | <u>(415,846)</u>    | <u>(377,434)</u>    |
| <b>BALANCE, ENDING</b>    | <u>(24,303,662)</u> | <u>(23,722,542)</u> | <u>(24,303,662)</u> | <u>(23,722,542)</u> |

**RADISSON MINING RESOURCES INC.**
**CONTRIBUTED SURPLUS AND WARRANTS**

Three-month periods ended September 30 / Nine-month periods ended September 30

| (unaudited)                                       | 2006<br>\$       | 2005<br>\$     | 2006<br>\$       | 2005<br>\$     |
|---|------------------|----------------|------------------|----------------|
| <b>CONTRIBUTED SURPLUS</b>                        |                  |                |                  |                |
| <b>BALANCE, BEGINNING</b>                         | 1,121,435        | 615,297        | 840,695          | 578,047        |
| Options granted under the plan, during the period | 16,700           | -              | 33,400           | 37,250         |
| Options granted to brokers during the period      | -                | -              | 129,040          | -              |
| Warrants expired during the period                | -                | -              | 135,000          | -              |
| <b>BALANCE, ENDING</b>                            | <u>1,138,135</u> | <u>615,297</u> | <u>1,138,135</u> | <u>615,297</u> |
| <b>WARRANTS</b>                                   |                  |                |                  |                |
| <b>BALANCE, BEGINNING</b>                         | 1,221,050        | 364,772        | 200,300          | 364,772        |
| Warrants issued during the period                 | -                | 39,150         | 1,155,750        | 39,150         |
| Warrants expired during the period                | -                | -              | (135,000)        | -              |
| <b>BALANCE, ENDING</b>                            | <u>1,221,050</u> | <u>403,922</u> | <u>1,221,050</u> | <u>403,922</u> |

**CASH FLOWS**

Three-month periods ended September 30 / Nine-month periods ended September 30

| (unaudited)   | 2006<br>\$       | 2005<br>\$      | 2006<br>\$       | 2005<br>\$       |
|---|------------------|-----------------|------------------|------------------|
| <b>OPERATING ACTIVITIES</b>                               |                  |                 |                  |                  |
| Net loss  | (140,593)        | (132,448)       | (415,846)        | (377,434)        |
| Items not involving cash:                                 |                  |                 |                  |                  |
| Amortization of fixed assets                              | 363              | 368             | 943              | 1,197            |
| Stock-based compensation                                  | 16,700           | -               | 33,400           | 37,250           |
| Net change in non-cash operating<br>working capital items | <u>29,166</u>    | <u>169,463</u>  | <u>(80,052)</u>  | <u>323,870</u>   |
|   | (94,364)         | 37,383          | (461,555)        | (15,117)         |
|   | -----            | -----           | -----            | -----            |
| <b>FINANCING ACTIVITIES</b>                               |                  |                 |                  |                  |
| Repayment of long-term debt                               | (297)            | (256)           | (858)            | (740)            |
| Cash inflow relating to capital stock<br>and warrants     | -                | 164,000         | 1,707,500        | 164,000          |
| Share issuance expenses                                   | <u>-</u>         | <u>(3,000)</u>  | <u>(228,735)</u> | <u>(24,474)</u>  |
|   | (297)            | 160,744         | 1,477,907        | 138,786          |
|   | -----            | -----           | -----            | -----            |
| <b>INVESTING ACTIVITIES</b>                               |                  |                 |                  |                  |
| Restricted cash for exploration<br>expenditures           | 137,641          | (10 000)        | (162,895)        | 199,780          |
| Term deposit  | 112,359          | -               | (573,072)        | 140,220          |
| Fixed assets  | (2,750)          | -               | (2,750)          | -                |
| Mining properties   | -                | -               | (4,000)          | -                |
| Deferred exploration expenditures                         | <u>(137,641)</u> | <u>(28,907)</u> | <u>(237,105)</u> | <u>(271,784)</u> |
|   | 109,609          | (38,907)        | (979,822)        | 68,216           |
|   | -----            | -----           | -----            | -----            |
| <b>Cash and cash equivalents increase</b>                 | 14,948           | 159,220         | 36,530           | 191,885          |
| <b>Cash and cash equivalents,<br/>beginning</b>           | <u>55,618</u>    | <u>48,040</u>   | <u>34,036</u>    | <u>15,375</u>    |
| <b>Cash and cash equivalents, ending</b>                  | <u>70,566</u>    | <u>207,260</u>  | <u>70,566</u>    | <u>207,260</u>   |

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**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2006**


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(unaudited)

**1 - INTERIM FINANCIAL STATEMENTS**

The interim financial statements as at September 30, 2006 and for the period ended September 30, 2006 are unaudited; however, in the opinion of management, all adjustments necessary to present fairly the results of this period have been included. The adjustments made were of a normal recurring nature. Interim results may not necessarily be indicative of results anticipated for the fiscal year.

These interim financial statements are prepared in accordance with Canadian generally accepted accounting principles and use the same accounting policies and methods used in the preparation of the Company's most recent annual financial statements. All disclosures required for annual financial statements have not been included in these financial statements. These interim financial statements should be read in conjunction with the Company's most recent annual financial statements.

**2 - MINING PROPERTIES**

|            | Balance as at<br>December 31, 2005 | Addition     | Diminution | Balance as at<br>September 30, 2006 |
|------------|------------------------------------|--------------|------------|-------------------------------------|
| O'Brien    | 342,789                            | -            | -          | 342,789                             |
| Kewagama   | 9,950                              | -            | -          | 9,950                               |
| Highway    | 13,930                             | -            | -          | 13,930                              |
| Massicotte | 2,256                              | -            | -          | 2,256                               |
| Grave Lake | <u>3,680</u>                       | <u>9,200</u> | <u>-</u>   | <u>12,880</u>                       |
|            | <u>372,605</u>                     | <u>9,200</u> | <u>-</u>   | <u>381,805</u>                      |

**3 - DEFERRED EXPLORATION EXPENDITURES**

|             | Balance as at<br>December 31, 2005 | Exploration<br>expenditures | Tax credit | Balance as at<br>September 30, 2006 |
|-------------|------------------------------------|-----------------------------|------------|-------------------------------------|
| O'Brien     | 3,245,581                          | 61,049                      | -          | 3,306,630                           |
| Kewagama    | 434,228                            | 89,049                      | -          | 523,277                             |
| Douay       | 15,476                             | -                           | -          | 15,476                              |
| Highway     | 19,480                             | 22,123                      | -          | 41,603                              |
| Massicotte  | 2,250                              | 2,250                       | -          | 4,500                               |
| Olsen Bay   | -                                  | 15,901                      | -          | 15,901                              |
| Harper Lake | -                                  | 15,139                      | -          | 15,139                              |
| Grave Lake  | <u>-</u>                           | <u>31,594</u>               | <u>-</u>   | <u>31,594</u>                       |
|             | <u>3,717,015</u>                   | <u>237,105</u>              | <u>-</u>   | <u>3,954,120</u>                    |

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**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2006**


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(unaudited)

**4 - CAPITAL STOCK**

Authorized:

Unlimited number of class A shares, no par value

Unlimited number of class B shares which may be issued in series, cumulative or non-cumulative dividend at the prime rate of the Bank of Canada at the beginning of the year plus a percentage between 1 and 5%, non participating, non-voting, redeemable at the option of the Company for an amount equal to the price paid plus any dividend declared thereon and unpaid, no par value

Changes in Company class A capital stock were as follows:

|                                  | Number            | Amount<br>\$      |
|----------------------------------|-------------------|-------------------|
| Balance as at December 31, 2005  | 33,258,760        | 26,176,389        |
| Paid in cash (1)                 | 3,884,783         | 475,900           |
| Flow-through shares (2)          | 1,379,308         | 75,850            |
| Mining properties                | 20,000            | 5,200             |
| Share issuance expenses          | <u>-</u>          | <u>(441,775)</u>  |
| Balance as at September 30, 2006 | <u>38,542,851</u> | <u>26,291,564</u> |

(1) Value of capital stock paid in cash is presented net of the fair value of warrants amounting to \$831,600.

(2) Value of flow-through shares is presented net of the fair value of warrants amounting to \$324,150.

**Share Purchase Options**

The following table summarizes the information relating to the share purchase options as at September 30, 2006.

|                                  | Options outstanding | Weighted average exercise price<br>\$ |
|----------------------------------|---------------------|---------------------------------------|
| Balance as at December 31, 2005  | 2,942,830           | 0.34                                  |
| Expired and cancelled            | (500,000)           | 0.34                                  |
| Granted                          | <u>250,000</u>      | 0.33                                  |
| Balance as at September 30, 2006 | <u>2,692,830</u>    | 0.34                                  |

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**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2006**


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(unaudited)

**4 - CAPITAL STOCK** (continued)

| Options outstanding | Price<br>\$ | Weighted average remaining life<br>(years) |
|---------------------|-------------|--|
| 300,000             | 0.27        | 1.4  |
| 257,830             | 0.15        | 3.4  |
| 500,000             | 0.34        | 2.9  |
| 310,000             | 0.40        | 0.6  |
| 150,000             | 0.38        | 0.7  |
| 500,000             | 0.42        | 0.7  |
| 175,000             | 0.30        | 3.9  |
| 250,000             | 0.41        | 1.5  |
| <u>250,000</u>      | 0.33        | 4.5  |
| <u>2,692,830</u>    |             |  |

**Warrants**

The following table summarizes the information relating to warrants as at September 30, 2006.

|                                  | Warrants outstanding | Weighted average<br>exercise price<br>\$ |
|----------------------------------|----------------------|--|
| Balance as at December 31, 2005  | 3,325,708            | 0.54                                     |
| Granted                          | 5,264,091            | 0.42                                     |
| Expired                          | <u>(2,045,500)</u>   | 0.65                                     |
| Balance as at September 30, 2006 | <u>6,544,299</u>     | 0.41                                     |

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**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2006**


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(unaudited)

**4 - CAPITAL STOCK** (continued)

| Warrants outstanding    | Price<br>\$ | Expiry Date   |
|-------------------------|-------------|---------------|
| 546,875                 | 0.45        | December 2006 |
| 700,000                 | 0.29        | August 2007   |
| 33,333                  | 0.39        | August 2007   |
| 434,783                 | 0.30        | April 2008    |
| 1,379,308               | 0.40        | April 2008    |
| <u>3,450,000</u>        | 0.45        | May 2008      |
| <u><u>6,544,299</u></u> |             |               |

**Options to brokers**

The following table summarizes the information relating to options granted to brokers as at September 30, 2006.

|                                  | Options outstanding   | Weighted average<br>exercise price<br>\$ |
|----------------------------------|-----------------------|--|
| Balance as at December 31, 2005  | -                     | -  |
| Granted                          | <u>526,409</u>        | 0.32                                     |
| Balance as at September 30, 2006 | <u><u>526,409</u></u> | 0.32                                     |

| Options outstanding   | Price<br>\$ | Expiry Date |
|-----------------------|-------------|-------------|
| 43,478                | 0.23        | April 2008  |
| 137,931               | 0.29        | April 2008  |
| <u>345,000</u>        | 0.35        | May 2008    |
| <u><u>526,409</u></u> |             |             |