

HIGH RIDGE RESOURCES INC.

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 standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

HIGH RIDGE RESOURCES INC.

FINANCIAL STATEMENTS

(UNAUDITED)

MARCH 31, 2006

**HIGH RIDGE RESOURCES INC.
BALANCE SHEETS
(UNAUDITED)**

ASSETS

	March 31, <u>2006</u>	Dec. 31, <u>2005</u>
Current Assets		
Cash	\$ 1,105,054	\$ 24,503
GST recoverable	10,711	14,244
Prepaid expenses	9,637	1,525
	1,125,402	40,272
Reclamation Bonds (Note 4)	13,500	13,500
Mineral Interests (Note 4 and Statement)	215,039	182,039
Deferred Exploration Expenditures (Statement)	257,461	237,903
Equipment (Note 5)	13,488	3,169
Deferred Financing Charges	-	39,279
	\$ 1,624,890	\$ 516,162

LIABILITIES

Current Liabilities		
Accounts payable and accrued liabilities	\$ 28,407	\$ 43,045
Due to related parties (Note 10)	18,508	154,324
	48,915	197,369

SHAREHOLDERS' EQUITY

Share Capital (Note 6)	1,634,217	1
Share Subscriptions Received (Note 7)	-	357,175
Liability To Issue Shares (Note 4)	-	60,000
Contributed Surplus (Note 8)	351,243	182,543
Deficit	(407,485)	(280,926)
	1,577,975	318,793
	\$ 1,624,890	\$ 516,162

Approved By The Board:

"Gary Anderson"

Director

"Ed Low"

Director

HIGH RIDGE RESOURCES INC.

STATEMENTS OF LOSS AND DEFICIT
FOR THE THREE MONTHS ENDED MARCH 31, 2006 AND 2005
(UNAUDITED)

	<u>2006</u>	<u>2005</u>
Administrative Expenses		
Amortization of equipment	\$ 463	\$ 121
Automobile	99	182
Bank charges and interest	30	23
Consulting (Note 10)	13,213	7,500
Investor relations	3,250	-
Office and sundry	2,632	-
Professional fees	11,871	3,000
Property investigations	-	62
Shareholder information	10,100	-
Regulatory fees	27,116	500
Rent	378	179
Stock-based compensation (Note 8)	50,147	-
Telephone	2,818	216
Travel and business development	4,373	1,487
	(127,405)	(13,270)
Other Income		
Interest income	846	-
	(126,559)	(13,270)
Loss For the Period	(126,559)	(13,270)
Deficit, Beginning Of Period	(280,926)	(28,694)
Deficit, End Of Period	\$ (407,485)	\$ (41,964)
Loss Per Share		
	\$ (0.02)	\$ (0.00)
Weighted Average Shares Outstanding		
	8,649,260	4,722,158

HIGH RIDGE RESOURCES INC.
STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2006 AND 2005

	<u>2006</u>	<u>2005</u>
Cash Provided By (Used For):		
Operating Activities		
Loss for the period	\$ (126,559)	\$ (13,270)
Items not requiring (providing) cash:		
Amortization of equipment	463	121
Stock-based compensation	50,147	-
	<u>(75,949)</u>	<u>(13,149)</u>
Change in non-cash working capital items:		
(Increase) decrease in GST recoverable	3,553	(2,832)
Increase in prepaid expenses	(8,112)	-
Decrease in accounts payable and accrued liabilities	(14,638)	(3,775)
Cash used for operating activities	<u>(95,146)</u>	<u>(19,756)</u>
Investing Activities		
Acquisition of mineral interests for cash	(3,000)	(6,418)
Payment of deferred exploration expenditures	(19,558)	(28,482)
Acquisition of equipment	(10,782)	-
Cash used for investing activities	<u>(33,340)</u>	<u>(34,900)</u>
Financing Activities		
Issuance of shares for cash	1,344,873	-
Receipt of share subscriptions	-	10,000
Due to related parties	(135,816)	28,084
Cash provided by financing activities	<u>1,209,057</u>	<u>38,084</u>
(Decrease) Increase In Cash	1,080,551	(16,572)
Cash, Beginning Of Period	24,503	69,526
Cash, End Of Period	<u>\$ 1,105,054</u>	<u>\$ 52,954</u>

HIGH RIDGE RESOURCES INC.
STATEMENTS OF MINERAL INTERESTS
FOR THE THREE MONTHS ENDED MARCH 31, 2006
(UNAUDITED)

<u>Mineral Interest Descriptions</u>	<u>Costs Incurred During The Period Ended Dec. 31, 2005</u>	<u>Current Period Costs Incurred</u>	<u>Write Down For Valuation</u>	<u>Balance Mar. 31, 2006</u>
Chuchi Property Omineca Mining Division of B.C. 100% option or ownership interests	\$ 109,491	\$ 33,000	\$ -	\$ 142,491
Newton Hill Property Clinton Mining Division of B.C. 100% option or ownership interests	54,048	-	-	54,048
Silver Bay Property Slocan Mining Division of B.C. 100% option interest	18,500	-	-	18,500
	<u>\$ 182,039</u>	<u>\$ 33,000</u>	<u>\$ -</u>	<u>\$ 215,039</u>

See accompanying notes.

HIGH RIDGE RESOURCES INC.
STATEMENTS OF DEFERRED EXPLORATION EXPENDITURES
FOR THE THREE MONTHS ENDED MARCH 31, 2006
(UNAUDITED)

<u>Mineral Interest Descriptions</u>	<u>Expenditures Incurred During The Period Ended Dec. 31, 2005</u>	<u>Current Period Expenditures Incurred</u>	<u>Write Down For Valuation</u>	<u>Balance Dec. 31, 2005</u>
Chuchi Property				
Omineca Mining Division of B.C.				
Camp and field supplies	\$ 17,145	\$ 730	\$ -	\$ 17,875
Equipment rental	870	-	-	870
Geological and geophysical (Note 10)	42,069	118	-	42,187
Line cutting and grid preparation	32,943	-	-	32,943
Reports and maps	9,677	570	-	10,247
Transportation and accommodations	13,663	-	-	13,663
	<u>116,367</u>	<u>1,418</u>	<u>-</u>	<u>117,785</u>
Newton Hill Property				
Clinton Mining Division of B.C.				
Assays	2,119	-	-	2,119
Camp supplies	14,413	17	-	14,430
Field equipment	576	650	-	1,226
Geological and geophysical (Note 10)	53,886	12,899	-	66,785
Labour	2,200	-	-	2,200
Transportation	3,853	-	-	3,853
Reports and maps	6,532	450	-	6,982
	<u>83,579</u>	<u>14,016</u>	<u>-</u>	<u>97,595</u>
Silver Bay Property				
Slocan Mining Division of B.C.				
Assays	-	1,014	-	1,014
Camp and field supplies	968	-	-	968
Equipment rental	1,350	-	-	1,350
Geological and geophysical (Note 10)	32,901	3,012	-	35,913
Reports and maps	-	77	-	77
Transportation and accommodations	2,738	21	-	2,759
	<u>37,957</u>	<u>4,124</u>	<u>-</u>	<u>42,081</u>
	<u>\$ 237,903</u>	<u>\$ 19,558</u>	<u>\$ -</u>	<u>\$ 257,461</u>

HIGH RIDGE RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2006

1. INCORPORATION AND NAME CHANGE

The Company was incorporated on June 24, 2004 pursuant to the Business Corporations Act (British Columbia) as 0698428 B.C. Ltd., and on July 20, 2004 changed its name to High Ridge Resources Inc. Effective March 1, 2006, the Company's common shares were listed for trading on the TSX Venture Exchange ("TSXV").

2. NATURE OF OPERATIONS AND GOING CONCERN

The Company's major activities are the acquisition and exploration of mineral interests and the production therefrom. The recoverability of amounts shown for mineral interests and their related deferred exploration expenditures is dependent upon the discovery of economically recoverable reserves. The Company does not generate sufficient cash flow from operations to adequately fund its exploration activities, and has therefore relied principally upon the issuance of securities for financing. The Company intends to continue relying upon the issuance of securities to finance its operations and exploration activities to the extent such instruments are issuable under terms acceptable to the Company. Accordingly, the Company's financial statements are presented on a going concern basis, which assume that the Company will continue to realize its assets and discharge its liabilities in the normal course of operations. As at March 31, 2006, the Company has a working capital of \$1,078,487 and has incurred losses totaling \$407,485. If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case the realizable values of its assets may decline materially from current estimates.

3. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following policies:

a) Mineral Interests And Deferred Exploration Expenditures

The cost of mineral interests and their related direct exploration expenditures are deferred until the interests are placed into production, sold or abandoned. These deferred expenditures will be amortized on a unit-of-production basis over the estimated useful life of the interests following the commencement of production, or written-off if the interests are sold, allowed to lapse, or are abandoned. Mineral interest option payments are recorded when receivable, and are charged against the related mineral interests' costs. Option payments received in excess of costs incurred are disclosed as revenue.

Cost includes the cash consideration and the fair market value of common shares issued on the acquisition of mineral interests. The recorded costs of mineral interests and their related deferred exploration expenditures represent costs incurred, and are not intended to reflect present or future values. The Company does not accrue the estimated future costs of maintaining its mineral interests in good standing.

HIGH RIDGE RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2006

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

a) Mineral Interests And Deferred Exploration Expenditures (Cont'd)

The Company reviews capitalized costs on its mineral interests on a periodic basis, or annually, and will recognize an impairment in value based upon current exploration or production results, if any, and upon management's assessment of the future probability of profitable revenues from the interests or from sale of the interests. Management's assessment of the interests' estimated current fair market value is also based upon its review of other property transactions in the same geographic area.

Although the Company has taken steps to verify title to mineral interests in which it has an interest in accordance with industry standards for the current stage of exploration of such interests, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers, and may be affected by undetected defects and non-compliance with regulatory requirements.

b) Environmental Expenditures

The Company adopted the new standard of accounting for asset retirement obligations whereby the Company estimates the fair value of site restoration and clean-up costs on acquisition of mineral interests and reflects this amount in the cost of the mineral interest acquired. The new standard requires the recognition of a liability for obligations associated with the retirement of assets when the liability is incurred. A liability is recognized initially at fair value if a reasonable estimate of the fair value can be made, and the resulting amount would be capitalized as part of the asset. The liability is accreted over time through periodic charges to operations or mineral interest costs. In subsequent years, the Company adjusts the carrying amounts of the assets and the liabilities for changes in estimates of the amount or timing of underlying future cash flows.

It is reasonably possible that the Company's estimates of its ultimate reclamation and site restoration liability could change as a result of changes in regulations or cost estimates. The effect of changes in estimated costs is recognized on a prospective basis. As at December 31, 2005, the Company has not recorded any asset retirement obligations.

c) Equipment And Amortization

Equipment is recorded at cost and is amortized over its estimated useful life on the declining balance method at the following rates:

Computer equipment	30%
Office equipment	20%

In the year of acquisition, one half of the above rates are applied, and in the year of disposal no amortization is claimed.

HIGH RIDGE RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2006

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

d) Measurement Uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of any contingent assets and liabilities as at the date of the financial statements, as well as the reported amounts of revenues earned and expenses incurred during the reporting periods.

The Company's current items involving substantial measurement uncertainty are the carrying costs of mineral interests and their related deferred exploration expenditures and the provision for future site restoration and abandonment costs and the determination of stock-based compensation. By their nature, these estimates are subject to measurement uncertainty, and the impact on the financial statements of future changes in such estimates could be material.

e) Stock-Based Compensation

The Company adopted the recommendations of CICA Handbook Section 3870, stock-based compensation and other stock-based payments, effective for all awards granted. The standard requires that all stock-based awards made to employees and non-employees be measured and recognized using a fair value based method. The fair value of stock options is determined by the Black-Scholes option pricing model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares and an expected life of the options. The fair value of direct awards of share capital is determined by the quoted market price of the Company's common shares.

f) Flow - Through Common Shares

The Company adopted the recommendations of CICA Handbook EIC 146 relating to flow-through shares effective for all flow-through share agreements dated after March 19, 2004. Canadian Income Tax Legislation permits an enterprise to issue securities referred to as flow-through shares whereby the investor may claim the tax deductions arising from the related resource expenditures. When resource expenditures are renounced to the investors, and the Company has reasonable assurance that the expenditures will be completed, future income tax liabilities are recognized (renounced expenditures multiplied by the effective corporate tax rate) thereby reducing share capital. The Company records the initial share issuances by crediting share capital for the full value of the cash consideration received.

HIGH RIDGE RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2006

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

g) Income Taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method of tax allocation, future income tax assets and liabilities are determined based on differences between the financial statement carrying values and their respective income tax basis (temporary differences) and on unclaimed losses carried forward. Future income tax assets and liabilities are measured using the substantially enacted tax rates expected to be in effect when the temporary differences are likely to reverse or when losses are expected to be utilized. The effect on future income tax assets and liabilities of a change in tax rates is included in operations in the period in which the change is enacted or substantially assured. The amount of future income tax assets recognized is limited to the amount of the benefit that is likely to be realized.

h) Loss Per Share

The Company calculates loss per share using the treasury stock method. Under the treasury stock method, only instruments with exercise amounts less than market prices impact the diluted calculations.

i) Deferred Financing Charges

Costs for legal, agent and sponsorship fees on account of the Company's prospectus and initial public offering ("IPO") have been deferred. These costs will be charged against share capital when the related common shares are issued.

4. MINERAL INTERESTS

a) Chuchi Property

The Chuchi Property is located approximately 90 kilometres north-east of Fort James in the Omineca Mining Division of British Columbia. The optioned property is comprised of nineteen mineral claims totaling approximately 850 hectares.

The Company signed an option agreement on October 25, 2004 to earn a 100% interest in the property subject to a three percent net smelter return royalty ("NSR"). To exercise the option, the Company must make, in stages, cash payments of \$125,000 and issue 400,000 common shares of the Company to the optionors as follows:

i) Cash Payments

- \$20,000 on execution of the agreement (paid);
- a further \$20,000 on or before October 25, 2005 (paid);
- a further \$35,000 on or before October 25, 2006;
- a further \$50,000 on or before October 25, 2007;
- annual advance royalties of \$20,000 from October 26, 2008 ceasing in the year in which commercial production commences.

HIGH RIDGE RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2006

4. MINERAL INTERESTS (CONT'D)

a) Chuchi Property (Cont'd)

ii) Share Consideration

- 100,000 common shares upon completion of the Company's IPO (issued);
- a further 100,000 common shares on or before October 25, 2005 (Issued);
- a further 100,000 common shares on or before October 25, 2006;
- a further 100,000 common shares on or before October 25, 2007.

The agreement provides that if the Company does not complete its IPO by May 31, 2005, the Company could extend its option by making additional cash payments of \$3,000 per month commencing June 2005. The Company notified the optionors of its election to extend the option. Payments totaling \$47,000 have been paid by the Company to the optionors up to March 31, 2006.

The NSR can be reduced to one percent by paying \$2,000,000 to the optionors. The optionors will receive a further 200,000 common shares of the Company upon the commencement of commercial production.

The Company also acquired one mineral claim totaling approximately 6,500 hectares of additional "protection" ground in December 2004 via staking.

The Company paid \$3,500 for a reclamation bond pursuant to regulatory requirements against potential reclamation obligations relating to exploration work on the Chuchi mineral interest.

The following expenditures have been incurred by the Company to March 31, 2006 on the Chuchi Property:

Acquisition costs	
Option payments, claims staking and assessment work filed	\$87,491
Shares issued (200,000 shares at \$0.28 per share)	55,000
	<hr/>
	142,491

b) Newton Hill Property

On June 26, 2004, as amended October 7, 2005, Tywell Management Inc. ("Tywell"), a company controlled by a director of the Company, signed an option agreement to acquire a 100% interest in the "Newton 1" mineral claim subject to a two percent NSR from two prospectors. The Newton 1 claim consists of twenty claim units being approximately 410 hectares which is located 105 kilometres west-south-west of Williams Lake on the Chilcotin Plateau in the Clinton Mining Division of British Columbia.

HIGH RIDGE RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2006

4. MINERAL INTERESTS (CONT'D)

b) Newton Hill Property (Cont'd)

Effective July 20, 2004, the option agreement was assigned by Tywell to the Company. To exercise the option, the Company must make, in stages, cash payments of \$120,000, issue 500,000 common shares of the Company to the optionor, and incur not less than \$750,000 in exploration expenditures on the mineral interest as follows:

i) Cash Payments

- \$6,000 on execution of this agreement (paid);
- a further \$6,000 six months after June 26, 2004 (paid);
- a further \$12,000 on or before June 26, 2005 (paid);
- a further \$12,000 on or before June 26, 2006;
- a further \$12,000 on or before June 26, 2007;
- a further \$12,000 on or before June 26, 2008;
- a further \$60,000 on or before June 26, 2009.

ii) Share Consideration

- 100,000 common shares on or before June 26, 2005 (issued);
- a further 100,000 common shares on or before June 26, 2006;
- a further 100,000 common shares on or before June 26, 2007;
- a further 100,000 common shares on or before June 26, 2008;
- a further 100,000 common shares on or before June 26, 2009.

iii) Expenditure Commitment

- \$50,000 on or before June 26, 2005; (completed)
- a further \$150,000 on or before June 26, 2006;
- a further \$150,000 on or before June 26, 2007;
- a further \$150,000 on or before June 26, 2008;
- a further \$250,000 on or before June 26, 2009.

The NSR can be purchased at any time by the Company for \$1,200,000.

The Company has acquired a further eight mineral claims totaling approximately 2,215 hectares around Newton 1 in August 2004 via staking.

The Company paid \$10,000 for a reclamation bond pursuant to regulatory requirements against potential reclamation obligations relating to exploration work on the Newton Hill mineral interest.

HIGH RIDGE RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2006

4. MINERAL INTERESTS (CONT'D)

b) Newton Hill Property (Cont'd)

The following expenditures have been incurred by the Company to March 31, 2006 on the Newton Hill Property:

Acquisition costs	
Option payments, claims staking and assessment work filed	\$29,048
Liability to issue shares (100,000 shares at \$0.25 per share)	25,000
	<hr/>
	\$54,048

c) Silver Bay Property

The Silver Bay Property is located on the Crawford Peninsula at Kootenay Lake approximately thirteen kilometres from the town of Riondel in south-west British Columbia in the Slocan Mining Division of British Columbia. The optioned mineral interest is comprised of twenty-two mineral claims totaling approximately 1,730 hectares.

The Company signed an option agreement on August 31, 2004, as amended October 7, 2005, to acquire a 100% interest in the property subject to a two percent NSR. To exercise this option, the Company must make, in stages, cash payments of \$50,000, issue 100,000 common shares of the Company to the optionor, and incur not less than \$350,000 in exploration expenditures on the mineral interest as follows:

i) Cash Payments

- \$3,500 on execution of the agreement (paid);
- a further \$5,000 on or before August 31, 2005 (paid);
- a further \$7,500 on or before August 31, 2006;
- a further \$10,000 on or before August 31, 2007;
- a further \$12,000 on or before August 31, 2008;
- a further \$12,000 on or before August 31, 2009;

ii) Share Consideration

- 20,000 common shares on execution of this agreement (issued);
- a further 20,000 common shares on or before August 31, 2005 (issued);
- a further 60,000 common shares on or before August 31, 2009.

iii) Expenditure Commitment

- \$20,000 on or before August 31, 2005; (completed)
- a further \$50,000 on or before August 31, 2006;
- a further \$80,000 on or before August 31, 2007;
- a further \$100,000 on or before August 31, 2008;
- a further \$100,000 on or before August 31, 2009.

The NSR can be purchased at any time by the Company for \$1,200,000.

HIGH RIDGE RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2006

4. MINERAL INTERESTS (CONT'D)

c) Silver Bay Property (Cont'd)

The following expenditures have been incurred by the Company to March 31, 2006 on the Silver Bay Property:

Acquisition costs	
Option payments paid	\$ 8,500
Shares issued (40,000 shares at \$0.25 per share)	10,000
	\$18,500

5. EQUIPMENT

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2006</u>	<u>2005</u>
Computer equipment	\$ 2,586	\$ 990	\$ 1,596	\$1,487
Office equipment	12,476	584	11,892	-
	\$15,062	\$1,574	\$13,488	\$1,487

6. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without par value

b) Common Shares Issued

	<u>Shares</u>	<u>Amount</u>
For Cash		
Share issued at \$0.25/share	1	\$1
Balance, December 31, 2004 and 2005		\$1
For Cash		
Escrow shares at \$0.0001/share i)	4,800,000	\$ 480
Seed shares at \$0.225/share ii)	1,312,609	295,338
Flow-through shares at \$0.35/share iii)	274,428	96,050
Tax effect of flow-through shares iii)	-	(34,693)
Initial Public Offering, February 24, 2006 iv)	5,000,000	1,500,000
Corporate finance fee iv)	100,000	-
Share issuance costs iv)	-	(312,957)
For Acquisitions		
Property payments (See Note 4)	340,000	90,000
Balance, Mach 31, 2006	11,827,038	1,634,217

HIGH RIDGE RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2006

6. SHARE CAPITAL (CONT'D)

b) Common Shares Issued (Cont'd)

i) Escrow Shares

The Company allotted, and reserved for issuance to the directors of the Company, 4,800,000 common shares at a price of \$0.0001 per share for total cash proceeds of \$480. These shares, and 493,450 seed shares subscribed for by the directors of the Company, were placed in escrow pursuant to the Company's agreement with its transfer agent. The shares subject to escrow will be released pro rata to the shareholders as to 10% upon issuance of notice of final receipt by the TSXV of the Company's IPO, and as to the remainder in six equal tranches of 15% every six months for a period of 36 months. As at March 31, 2006, the Company had 4,764,186 shares in escrow.

ii) Seed Shares

During fiscals 2004 and 2005, the Company re-priced seed share subscriptions prices from \$0.25 to \$0.225 per share. A total of \$295,338 was raised through seed share financing with the Company issuing 1,312,609 shares.

iii) Flow-through shares

In fiscal 2005, the Company raised \$96,050 via issuance of 274,428 flow-through shares at a price of \$0.35 per flow-through share. A credit for \$34,693 was recorded against future income recovery.

iv) Initial Public Offering

On February 24, 2006, the Company completed its IPO on the TSX-V by issuing to the public 5,000,000 units at \$0.30 per unit, to net the Company \$1,310,456 after commissions, legal and sponsorship fees of \$194,404. Each unit sold is comprised of one share and one-half of a transferable share purchase warrant. Two half warrants are required to purchase one common share of the Company until February 24, 2007 at \$0.45 per share. The Company also issued to its agents an additional 100,000 units at \$0.30 per unit as corporate finance fees, the units have the same terms as the IPO units.

The Company's agents were granted non-transferable agent share purchase warrants entitling the agent to purchase up to 20% of the total number of shares sold through the IPO, being 1,000,000 warrants. One share purchase warrant is required to purchase one common share of the Company until February 24, 2007 at \$0.30 per share. The Company recorded the fair value of these warrants, \$118,553, to share issuance costs.

HIGH RIDGE RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2006

7. STOCK OPTIONS AND WARRANTS

The Company has a 10% rolling incentive stock option plan for the benefit of directors, officers, employees and consultants of the Company, whereby options to purchase common shares of the Company may be granted from time to time, provided that the maximum number of options that are outstanding at any time shall not exceed 10% of the issued and outstanding common shares of the Company.

As at March 31, 2006, the stock options held by directors/officers/consultants of the Company are as follows:

Options Strike Price	Options Outstanding	Weighted Average Remaining Life (Years)
\$0.30	1,150,000	4.19

	Options Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Life (Years)
Balance, December 31, 2005	800,000	\$0.30	5.00
Granted	350,000	\$0.30	3.30
Balance, March 31, 2006	1,150,000	\$0.30	4.19

As at March 31, 2006, 1,000,000 stock options had vested.

The fair value of the 350,000 options granted during the three month period ended March 31, 2006 (2004 - Nil) has been estimated at the date of grant using a Black-Scholes option pricing model. The estimated fair value of the options is expensed over the vesting period. The valuation was calculated with the following assumptions: weighted average risk free interest rate of 3.90% (2004 - Nil); volatility of the expected market price of the Company's share capital of 100% (2004 - Nil); a weighted average expected life of the options of 1-2 years (2004 - Nil) and no expectation for the payment of dividends.

HIGH RIDGE RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2006

7. STOCK OPTIONS AND WARRANTS – (CONT'D)

Warrants Exercise Price	Warrants Outstanding		Weighted Average Remaining Life (Years)
\$0.30	1,000,000		
\$0.45	2,550,000		
	3,550,000		

	Warrants	Weighted Average Exercise Price Outstanding	Weighted Average Remaining Life (Years)
Balance, December 31, 2005	-	-	-
Granted	3,350,000	\$0.41	1.00
Balance, March 31, 2006	3,350,000	\$0.41	0.90

8. CONTRIBUTED SURPLUS

Balance, December 31, 2005	\$182,543
Value assigned to agents' warrants	118,553
Value assigned to stock options granted	<u>50,147</u>
Balance, March 31, 2006	<u>\$351,243</u>

9. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, GST recoverable, accounts payable and accrued liabilities, and amounts due to related parties. It is management's opinion that the Company is not exposed to significant interest, currency, or credit risk arising from these financial instruments. The carrying values of the financial instruments approximate their fair values, due to the relatively short period to maturity of these instruments. The amount due to related parties is not susceptible to fair market valuation as this liability is unsecured, non-interest bearing and has no set terms of repayment.

HIGH RIDGE RESOURCES INC.
NOTES TO THE FINANCIAL STATEMENTS
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10. RELATED PARTY TRANSACTIONS

During the three month period ended March 31, 2006 transactions incurred in the normal course of business with companies controlled by directors of the Company or companies with directors in common were as follows:

	<u>2006</u>	<u>2005</u>
Consulting (see below)	\$10,000	\$ 7,500
Various deferred exploration expenditures	\$ 2,515	\$ 5,571
Deferred geological and geophysical	\$14,751	\$20,623

Pursuant to a consulting agreement dated October 1, 2004, the Company is committed to paying \$2,500 per month for consulting services charged by a management company controlled by a director of the Company. The agreement was for a one year term and was automatically renewed during the year ended December 31, 2005 for a further one year term by the Company.

As at March 31, 2006 and December 31, 2005, the amounts disclosed in the Company's balance sheet as due to related parties are comprised of the unpaid balances of the above costs incurred, including related taxes. These balances are unsecured, non-interest bearing, and have no set terms of repayment.

11. INCOME TAXES

No provision for recovery of income taxes was made in 2005 and 2004 because of the uncertainty as to the utilization of the losses for income tax purposes. The Company has accumulated losses for tax purposes of approximately \$234,985 which expire in various years to 2016 as follows:

2011	\$ 21,617
2015	\$ 86,809
2016 (est.)	\$126,559

In addition, the Company has undeducted resource related expenses of approximately \$385,011 available for deduction against future Canadian taxable income. These expenses have no expiration date. Future income tax assets and liabilities are recognized for temporary differences between the carrying amount of the balance sheet items and their corresponding tax values as well as for the benefit of losses available to be carried forward to future years for tax purposes that are likely to be realized.

HIGH RIDGE RESOURCES INC.
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12. SUBSEQUENT EVENTS

a) Private Placement

The Company announced a non-brokered private placement, consisting of up to 1.5 million units at a price of 45 cents per unit, for gross proceeds of approximately \$675,000. Each unit will consist of one common share and one-half of one non-transferable share purchase warrant. One whole warrant will entitle the holder to purchase one additional common share at a price of 55 cents per warrant share. The warrants will be exercisable for a period of one year from closing of the offering.

A cash finder's fee of 7 per cent will be payable in connection with the private placement by the Company. The securities to be issued under the offering shall be subject to a four-month hold period, and the offering is subject to the acceptance of the TSX Venture Exchange.

b) Share purchase warrants

Subsequent to March 31, 2006, 19,400 share purchase warrants were exercised at a price of \$0.30 per warrant for proceeds of \$5,820.

HIGH RIDGE RESOURCES INC.

Management Discussion and Analysis
For the Three Month Period March 31, 2006

Management Discussion and Analysis

The following interim management discussion and analysis is prepared as at May 23, 2006 and should be read in conjunction with the unaudited financial statements for the three month period ended March 31, 2006, and with the audited financial statements for the years ended December 31, 2005 and 2004. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The reporting and the measurement currency is in Canadian dollars.

Forward Looking Statements

This MDA contains certain information that may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. The Company disclaims any obligation or intention to update or to revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Description of Business

High Ridge Resources Inc. (the "Company") is an exploration stage company engaged primarily in the exploration and development of its mineral properties. At the time of these financial statements it has not been determined whether these properties contain economically recoverable ore reserves. The recoverability of the amounts incurred to date on these properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the required financing to complete the development of the properties, and the future proceeds from the disposition of those reserves.

These financial statements have been prepared on a going concern basis, which assumes the realization of assets and discharge of liabilities in the normal course of business. As at March 31, 2006, the Company has a working capital of \$1,076,487 and has incurred losses totalling \$407,485.

The Company's ability to continue as a going concern is dependent upon successful achievement of additional financing, and upon its ability to realize profitable operations. Management intends to seek further funds through public offerings to finance its ongoing exploration activities. These financial statements do not give effect to any adjustments that would be necessary should the Company not be able to continue as a going concern.

Exploration Properties

As at March 31, 2006, the Company's exploration properties are comprised of:

1) Chuchi Project – British Columbia

The Company entered into an agreement dated October 24, 2004, with Lorne B. Warren, John M. Mirko and Donna Luck, whereby the Company was granted the exclusive option to acquire 100% interest in 19 mineral claims comprising 38 units located in the Omineca Mining Division of British Columbia.

HIGH RIDGE RESOURCES INC.

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The 850 hectare Chuchi property is situated approximately 90 km north of Fort St. James in central British Columbia. Topography is moderate to moderately rugged and the principal areas of interest are at an altitude of approximately 1300 m to 1500 m. The property has road access, railroads and high capacity electrical transmission lines are within 150 road-km at the resource-based communities of Fort St. James and Mackenzie. Located 32km northwest of the Mt. Milligan copper-gold deposit recently acquired by Atlas-Cromwell. During the period ended March 31, 2006, the Company staked an additional 2,377 hectares adjacent to the original claims (bringing the Company's land holdings to 9,753 hectares).

High Ridge Resources Inc. can earn a 100% interest in the property by paying the optionors \$125,000 and issuing 400,000 common shares in stages over a 36 month period. A 3% net smelter return royalty can be reduced to 1% by a payment of \$2,000,000 to the optionors.

Previous explorers of the area now encompassed by the property undertook various geotechnical surveys that resulted in the discovery and partial delineation of a significant low-grade porphyry copper-gold deposit. An extensive review of the exploration data has revealed that the deposit has not been fully delineated and that several large prospective areas remain to be explored. Significant prior drill results on the northeastern edge of the property include 158m of 0.22% copper and 0.10 g/t gold, 265m of 0.20% copper and 0.12 g/t gold, and 208m of 0.22% copper and 0.12 g/t gold.

Eighteen kilometers of line-cutting was performed over approximately 15.6 hectares of ground in August 2005. In October 2005, grid access and road refurbishment was carried out over seven kilometers of road. A ground magnetometer meter survey was completed over the new grid.

The Phase 1 exploration program is budgeted for \$600,000 involving geological, geochemical and geophysical surveys and a concurrent 1,100 m of diamond drilling program is expected to begin in mid-to-late May 2006 on the Chuchi property. A \$1,250,000 Phase 2 program of 5,500 m of delineation and infill diamond drilling is also proposed, contingent upon favourable results being obtained from Phase 1. The recommendations are provided by a report written by Rebagliati Geological Consulting Ltd.

2) Newton Hill Project – British Columbia

On June 26, 2004 Tywell Management Inc., for the company, acquired the "Newton 1" mineral claim from prospectors: Andrew Schmidt and Rudi Durfeld. The Newton 1 claim consists of twenty claim units, approximately 410 hectares. They are located 105 kilometres west-south-west of Williams Lake, British Columbia on the Chilcotin Plateau in the Clinton Mining Division. Tywell Management signed an option agreement on June 26, 2004 for the Company, to acquire a 100% interest in the Newton 1 mineral claims. To exercise the option the company must make, in stages, cash payments of \$120,000 and issue 500,000 common shares, to the Optionor and incur not less than \$750,000 exploration expenditures on the properties. The Company staked an additional 3,700 hectares in fiscal 2005.

The Property was acquired to cover a roughly 2 km diameter hydrothermal alteration system centered on Newton Hill. Interest in the property has increased as a result of extensive exploration on the Prosperity (Fish Lake) Deposit located 40 km to the south of Newton Hill, in a similar geologic setting. At Prosperity, "mineable" reserves of 633,000,000 tons grading 0.253% Cu and 0.466 grams/tonne gold and 0.5 grams/tonne silver have been published (Taseko Mines Ltd., March 16, 1998). Several other porphyry style deposits or prospects have been explored in recent decades within the Chilcotin plateau area including Poison Mtn, where,

HIGH RIDGE RESOURCES INC.

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historical "in situ geological reserves" of 768,315,000 tonnes grading 0.232% Cu, 0.112 grams/tonne Au with a 0.15% Cu cut-off are published in the CIMM special vol. 45.

On March 25, 2005, W.A. Howell, P. Geo was retained by the Company, to review exploration data from assessment reports and other reports documenting geological, geochemical and geophysical surveys and drilling programs on former mineral claims covering all, part of, or lying adjacent to the area covered by the current mineral claims held under option by the Company.

Mr. Howell in his report recommended a Phase 1 program consisting of additional geophysical surveys, trenching, sampling, geological mapping and 3000m of diamond drilling. The expected cost for the Phase 1 program is \$300,000. The Phase I drill program began in mid-April and was completed 11 targets having been drilled. Results will be released once available.

A phase 2 program, contingent upon phase 1 results, consisting of 5,000 metres of diamond drilling is recommended. The phase 2 program is expected to cost \$800,000

3) Silver Bay Project – British Columbia

The Company entered in an agreement August 31, 2004, with Bruce Doyle (the "Optionor") whereby the Company was granted the exclusive option to acquire a 100% interest in 22 mineral claims comprising of 4,275 acres located in the Slocan Mining Division of British Columbia, known as the Silver Bay Property (the "Silver Bay Option"). In order to exercise the option the Company must pay the sum of \$50,000, issue 100,000 common shares in the capital of the Company to the Optionor, and complete \$350,000 of exploration expenditures.

The Optionor has also retained a royalty equal to 2% of net smelter royalty, and the Company has the option to purchase the Royalty at any time for the sum of \$1,200,000, exclusive of any Royalty payments made prior to the date of purchase.

The Silver Bay property is located in the vicinity of Nelson, BC, on the east-shore of Kootenay Lake. The property lies on the Crawford Peninsula 13km south from Riodel and the past-producing Bluebell Mine, a well-know silver-lead-zinc (AG-ZN-PB) deposit. Previous exploration work on the property by Teck-Cominco Ltd. and other companies suggests a favourable setting for the fracture and bedding-hosted, Zn-Pb replacement mineralization. The potential of the Silver Bay Property is directly linked to its location relative to the Bluebell Mine.

The Company has budgeted \$100,000 for detailed prospecting, geological and structural mapping. The Company has done a limited amount of work on the property to date, primarily geological mapping.

In July 2005, detailed geological mapping was conducted on the property resulting in a better understanding of the structure. Several previously known sulphide boulders were revisited and additional boulders were found. Many new outcrops with mineralized layers within the meta-sedimentary sequence were located and examined. Results are encouraging and can be seen on SEDAR (news release March 23, 2006). A ground magnetic and deep-penetrating electromagnetic (EM) survey will be carried out to investigate larger size massive sulphide bodies at depth, along with detailed prospecting and trenching within the zones of sulphide boulder accumulation and mineralized outcrops. This will possibly lead to a diamond drilling program.

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Results of Operations

For the three month period ended March 31, 2006, the Company had a net loss of \$126,559. Included in the net loss were consulting fees of \$13,213 (2005 – \$7,500) for management services provided to the Company and professional fees of \$11,871 (2005 - \$3,000) for legal and audit fees related to the initial public offering process. Other significant expenses were regulatory fees of \$27,116 (2005 – \$500) for filings with the BC Securities Commission and TSX Venture Exchange. Office, telephone and travel costs were higher over same period last year due to office set-up and corporate development meetings. The Company realized a non-cash expense of \$50,147 (2005 – nil) for the assigned value of granting of stock options.

During the first quarter the Company retained an investor relations firm, the cost incurred during the quarter \$3,250 (2005 - nil) reflect fees for half a month. The Company also incurred costs for marketing material, website development and news dissemination categorized under Shareholder Information for \$10,100 (2005 – nil).

The Company spent a total of \$33,000 on property acquisitions which includes claim staking and yearly contractual property payments including share payments. The Company spent \$19,558 on geological work on the three mineral properties.

Selected Annual Information

The following selected financial information was obtained from the audited consolidated annual financial statements of the company for 2005 and 2004, which is the first year end for the Company since its incorporation. These financial statements were audited by Beauchamp and Company, Chartered Accountants. The effect of applying the treasury stock method to the Company's loss per share calculation is anti-dilutive. Therefore, basic and diluted losses per share are equal for the years presented.

For the year ended December 31	2005	2004	2003
a) Total Revenues	Nil	Nil	Nil
b) (Loss) before discontinued operations and extraordinary items	\$ (252,232)	\$ (28,694)	n/a
c) Basic and diluted loss per share	\$ (0.05)	\$ (0.01)	n/a
d) Net (loss) for the year	\$ (252,232)	\$ (28,694)	n/a
e) Basic and diluted loss per share	\$ (0.05)	\$ (0.01)	n/a
f) Total assets	\$ 516,162	\$ 166,629	n/a

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g) Total long-term financial liabilities	Nil	Nil	Nil
h) Cash dividends per share for each class of share	Nil	Nil	Nil

The losses from 2004 to 2005 reflect the Company's initial start-up costs. Consulting fees and office set-up costs helped push up the loss in 2004 along with a non-cash expense charge to stock-based compensation due to the granting of stock options. There have been no revenues from operations to the date of this report. The increase of total assets year over year reflects the

increasing capitalization of the exploration program costs which were partially offset by the declining cash balances used to fund this program, reclamation bonds deposited with British Columbia government, and deferred financing costs associated with the initial public offering.

Summary of Quarterly Results

The Company is a junior mineral exploration company. It has no revenues from its operations and no ongoing mining operations of any kind. In order to sustain the exploration programs, the Company raises capital primarily through the sale of its common shares. The effect of applying the treasury stock method to the Company's loss per share calculations is anti-dilutive. There, basic and diluted losses per share are equal for the quarters presented

The following information is derived from the unaudited interim financial statements of the Company that were prepared by management in accordance with Canadian GAAP.

For the quarter ended	Mar 06	Dec 05	Sep 05	Jun 05	Mar 05	Dec 04	Sep 04	Jun 04
	\$	\$	\$	\$	\$	\$	\$	\$
Net Loss	126,559	183,646	28,410	26,906	13,270	21,237	7,457	n/a
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	n/a	n/a
Net loss per share (basic and fully diluted)	0.02	0.03	0.01	0.01	0.00	0.01	0.00	n/a

The amount of the Company's administrative expenses is related to the level of financing and exploration programs that are undertaken. The magnitude of these expenses is a direct function of general financial market conditions as well as recent exploration achievements and prospects.

The losses are caused by the commencement and continuation of the exploration programs with no related revenues. The increase in the net loss in the 4th quarter of 2005 was due to the expensing of stock-based compensation for options granted. The net loss in the 1st quarter of 2006 includes non-cash expensing of \$50,147 due to the grant of stock options, one-time regulatory charges due to the initial public offering. Expenses are expected to increase on a quarterly basis as the Company has completed its initial public offering and must fund its ongoing operations.

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Related Party Transactions

Transactions in the normal course of business with companies controlled by directors of the Company or companies with directors in common were as follows:

	Mar 31, 2006	Mar 31, 2005
Consulting	\$ 10,000	\$ 7,500
Exploration	\$ 2,515	\$ 5,571
Geological and geophysical services	\$ 14,751	\$ 20,623

Pursuant to a consulting agreement dated October 1, 2004, the Company is committed to paying \$2,500 per month for consulting services charged by a management company controlled by a director of the Company. The agreement is for a one year term and was automatically renewed during the year ended December 31, 2005 for a further one year term by the Company.

Outstanding Share Data

The Company has authorized an unlimited number of common shares, without par value, Refer to Note 6 of the financial statements. As at March 31, 2006, the Company had 11,827,038 common shares issued, 1,150,000 share purchase options and 3,550,000 share purchase warrants outstanding. There are no other classes of shares issued and outstanding. As of the date of this report the Company had 1,150,000 stock purchase options outstanding at various exercise prices and future dates. As of the date of this report the Company had 11,846,438 common shares issued, 3,530,600 share purchase warrants and 1,150,000 stock purchase options outstanding at various exercise prices and future dates. If all of these options and warrants were exercised, a total of 16,527,038 common shares would be issued and outstanding

Investor Relations

As at March 31, 2006, the Company retains Coal Harbour Communications to provide investor relations services. Coal Harbour receives a fee of \$5,000 per month and was granted 150,000 stock options exercisable at a price of \$0.30 per share. The stock options will vest quarterly over a 12-month period. The contract may be cancelled by either party after three months with 30 days notice.

Liquidity

The Company does not have operations that generate cash flow. At March 31, 2006, the Company had \$1,105,054 in cash. As at March 31, 2006, the Company has a net working capital of \$1,076,487. The Company plans to raise funds privately via share issuance. The Company's activities have been funded primarily by the initial funding of the Company's securities.

HIGH RIDGE RESOURCES INC.

Management Discussion and Analysis
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Off-Balance Sheet Arrangements

As at March 31, 2006 and up to the effective date of this report the Company had no off balance sheet arrangements.

Changes in Accounting Policies including Initial Adoption

During the three month period ended March 31, 2006, and subsequent up to the date of this report the Company has not instituted any change in its accounting policies.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash, amounts receivable, prepaid expenses, accounts payable. The fair value of these instruments approximates their carrying value due to their short-term maturity. The fair value of amounts due to related parties is not determinable as the amounts do not have any repayment terms.

Subsequent Events

Subsequent to March 31, 2006, the Company:

a) Private Placement

The Company announced a non-brokered private placement, consisting of up to 1.5 million units at a price of 45 cents per unit, for gross proceeds of \$675,000. Each unit will consist of one common share and one-half of one non-transferable share purchase warrant. One whole warrant will entitle the holder to purchase one additional common share at a price of 55 cents per warrant share. The warrants will be exercisable for a period of one year from closing of the offering.

b) Share purchase warrants

Subsequent to March 31, 2006, 19,400 share purchase warrants were exercised at a price of \$0.30 per warrant for proceeds of \$5,820.