

MAUDORE Minerals Ltd

Interim report

For the Nine-Month Period
ended
September 30, 2006

WARNING

**THE INTERIM FINANCIAL STATEMENTS DATED SEPTEMBER 30, 2006
HAVE NOT BEEN AUDITED BY THE AUDITORS**

CORPORATE INFORMATION		
Mailing Address 1000 de la Gauchetiere West., 24 th Flr. Montreal Quebec H3B 4W5 Telephone : (514) 761-1415 info@maudore.com	Stock Exchange Listing TSX Venture Ticker Symbol : MAO	Transfer Agent CIBC Mellon Trust Company 2001 University Street, 16 th floor Montreal Quebec H3A 2A6

MAUDORE MINERALS LTD
STATEMENTS OF EARNINGS AND DEFICIT

(unaudited)

	Three-month period ended September 30		Nine-month period ended September 30	
	2006 \$	2005 \$	2006 \$	2005 \$
REVENUES				
Interest	2,766	2,161	3,227	2,235
ADMINISTRATIVE EXPENSES				
Stock based compensation	204,350		273,470	-
Professional fees and subcontractors	24,682	2,868	41,851	21,006
Information to shareholders and registration fees	6,512	2,387	32,888	21,780
Insurance	2,087	2,478	6,246	6,355
Rent	2,261	570	4,454	2,280
Office supplies	6,509	-	8,886	736
Subscription fees	3,750		9,160	-
Travelling expenses	11,770		30,159	-
Telecommunications	642	351	3,259	1,417
Depreciation	644	356	1,929	1,069
Interests and bank charges	252	45	355	133
Gain on sales of investment	(4,858)		(4,858)	
	258,601	9,055	407,799	54,776
LOSS BEFORE TAXES	(255,835)	(6,894)	(404,572)	(52,541)
INCOME AND MINING TAXES	(38,616)	(25,397)	(99,819)	(68,549)
NET INCOME (LOSS)	(217,219)	18,503	(304,753)	16,008
Deficit, beginning	(3,575,421)	(3,480,589)	(3,487,887)	(3,478,094)
Interest on convertible debenture		(12,750)	-	(12,750)
DEFICIT, ENDING	(3,792,640)	(3,474,836)	(3,792,640)	(3,474,836)
BASIC RESULT PER SHARE AND DILUTED	(0,023 \$)	(0.000 \$)	(0,037 \$)	(0.000 \$)

MAUDORE MINERALS LTD
STATEMENTS OF DEFERRED EXPLORATION EXPENDITURES

(unaudited)

	Three-month period ended September 30		Nine-month period ended September 30	
	2006 \$	2005 \$	2006 \$	2005 \$
EXPLORATION EXPENDITURES				
Drilling	296,756		357,360	
Subcontractors	117,709		140,294	
Analyses	39,646		45,308	
Salaries and fringe benefit	5,902		5,902	
Equipment and vehicle rental	21,268	548	23,498	1,643
Room and board, travelling expenses	39,932	372	40,982	2,972
Claim renewal and management	4,306	426	5,074	1,151
General exploration expenses	16,434	-	17,473	2,103
	541,953	1,345	635,891	7,869
Tax credit for resources		-	(2,307)	(5,570)
Increase (decrease) in deferred exploration expenditures	541,953	1,345	633,584	2,299
Balance beginning	1,570,195	1,475,116	1,478,564	1,474,162
Balance ending	2,112,148	1,476,461	2,112,148	1,476,461

MAUDORE MINERALS LTD
CASH FLOW STATEMENTS

(unaudited)

	Three-month period ended September 30		Nine-month period ended September 30	
	2006 \$	2005 \$	2006 \$	2005 \$
CASH FLOWS PROVIDED BY (USED FOR)				
OPERATIONS				
Net Income (loss)	(217,219)	18,503	(304,753)	16,008
Items not requiring cash:				
Stock based compensation	204,350	-	273,470	-
Future income and mining taxes	(37,865)	(25,397)	(99,068)	(68,549)
Depreciation	644	356	1,929	1,069
Net change in non-cash working capital items	211,717	6,387	247,013	17,744
Cash flows from operating activities	161,627	(151)	118,591	(33,728)
INVESTING				
Deferred exploration expenditures	(541,953)	(1,344)	(611,249)	(2,299)
Cash flows from investing activities	(541,953)	(1,344)	(611,249)	(2,299)
FINANCING				
Issue costs of common shares	(85,898)	(712)	(92,588)	(1,350)
Capital stock	1,940,370		2,001,298	
Share redemption	(1,100)		(33,805)	
Cash flows from financing activities	1,853,372	(712)	1,874,905	(1,350)
DECREASE IN CASH AND CASH EQUIVALENTS	1,473,046	(2,207)	1,382,247	(37,376)
CASH AND CASH EQUIVALENTS, BEGINNING	304,027	161,941	394,826	197,110
CASH AND CASH EQUIVALENTS, ENDING	1,777,073	159,734	1,777,073	159,734

MAUDORE MINERALS LTD
BALANCE SHEETS

(unaudited)

	September 30 2006 \$	December 31 2005 \$
ASSETS		
Current assets		
Cash and short term investments	1,777,073	394,826
Taxes, mining duties and other receivables	79,069	4,724
	<u>1,856,142</u>	<u>399,550</u>
Fixed assets		
Fixed assets	2,068	3,998
Mining properties	341,008	341,008
Deferred exploration expenditures	2,112,148	1,478,564
	<u>4,311,366</u>	<u>2,223,120</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued charges	392,600	55,098
Shares redemption payable		32,705
	<u>392,600</u>	<u>87,803</u>
Future income and mining taxes	65,334	164,402
	<u>457,934</u>	<u>252,205</u>
Shareholders' Equity		
Contributed surplus: Stock options	621,553	263,597
Capital stock	7,024,519	5,244,262
Deficit	(3,792,640)	(3,487,886)
	<u>3,853,432</u>	<u>2,019,973</u>
Cost of acquired shares to be cancelled	-	(49,058)
	<u>3,853,432</u>	<u>1,970,915</u>
	<u>4,311,366</u>	<u>2,223,120</u>
Number of common shares outstanding	10,521,057	7,436,397
Number of warrants outstanding	503,125	1,561,458

MAUDORE MINERALS LTD
Notes to financial statements

1. GENERAL:

The unaudited interim statements have been prepared in accordance with accounting policies generally accepted in Canada. They are also in accordance with accounting policies of the annual financial statement for December 31, 2005. These statements do not include all required information for generally accepted accounting principles used in annual financial statements and should be read with the accompanying notes on the Company's December 31, 2005 financial statements.

2. CASH AND CASH EQUIVALENTS:

Cash and cash equivalents comprise cash and short-term investments with original maturity dates of less than 3 months.

3. DEFERRED EXPLORATION EXPENSES:

	December 31, 2005	Acquisitions	Government Assistance	September 30, 2006
	\$			\$
Comtois	1,274,245	635,891	(2,307)	1,907,829
Comtois, Newmont option	204,319			204,319
	1,478,564	635,891	(2,307)	2,112,148

4. CAPITAL STOCK:

	September 30, 2006	
	Common Shares	Amount \$
Issued and paid		
Balance as at December 31, 2005	7,436,397	5,244,262
Stock Options	198,400	108,676
Warrants	1,002,833	567,950
Private investments	2,111,414	1,372,419
Share redemption	(227,987)	(182,390)
Share issue expenses		(86,398)
Balance as at September 30, 2006	10,521,057	7,024,519

Issue of Shares:

On July 27, 2006, the Company has completed an equity financing for an aggregate amount of \$1,372,419. Under this financing, Maudore has issued 2,111,414 common shares at \$0.65 per share. Finders fees, related to the financing, for an amount of \$76,773 has been paid. The securities issued under the private placement are subject to a four month hold period. No warrants were issued under this financing.

Stock Option Plan:

Under the stock option plan, the Company may grant a maximum of 1,200,000 common share purchase options to its directors, officers, employees and suppliers. The exercise price of each option may not be inferior to the closing price of Maudore's shares on the TSX Venture on the date preceding the grant and the term of an option cannot exceed 5 years. The options are exercisable at the date of the grant.

The plan provides that the number of common shares reserved for issuance in favour of insiders may not exceed 10% of the then outstanding common shares and that the number of common shares reserved for issuance to any beneficiary may not exceed 5% of the then outstanding common shares.

In January and August 2006, the Company granted respectively, 256,000 and 335,000 five-year stock purchase options to some of its directors, officers and consultants. The fair value of these options was estimated using the Black Scholes stock option evaluation model with the following assumptions: estimated duration of 5 years for these options; risk free interest rate of 3.98%, forecast volatility of 105% and no forecast dividend for the options granted in January and a risk free interest rate of 4.01%, forecast volatility of 133% and no forecast dividend for the options granted in August 2006. A remuneration expense in the amount of \$69,120 (fair value of \$0.27 per option) have been recorded in January 2006 and an expense of \$204,350 (fair value of 0,61 per option) in August 2006.

A summary of the status of the stock option plan as of September 30, 2006 is presented below:

	Number of options	Weighted average exercise price \$
Outstanding and exercisable, beginning of year	545,933	0.55
Granted	591,000	0.35
Exercised	198,400	0.31
Cancelled	71,667	0.35
Outstanding and exercisable, end of the period	866,866	0.61

The following table summarizes information about stock options outstanding as at September 30, 2006:

Exercise prices \$	Number of options outstanding	Weighted average remaining life (years)
0.27	186,200	3.17
0.35	164,000	4.28
0.70	335,000	4.92
0.78	60,000	2.46
0.90	193,333	1.22
	866,866	3.56

5. WARRANTS:

As at September 30, 2006, the following warrants, issued pursuant to private financings, were outstanding and exercisable as follows:

- 503,125 warrants exercisable at the price of \$0.45 per share up to December 7, 2007.

6. RELATED PARTIES TRANSACTIONS:

As at September 30, 2006, fees of \$9,393 (\$5,000 as at September 30, 2005) have been incurred from a law firm of which a lawyer was also an officer of the Company. An amount of \$8,508 is included in accounts payable and accrued charges following these transactions.

The above transactions occurred within 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.

7. FAIR VALUE OF FINANCIAL INSTRUMENTS:

The carrying amount of short-term financial instruments and exploration funds approximates their fair value due to the relatively short periods to maturity of the financial instruments.