

**ALDERSHOT RESOURCES LTD.**

**FINANCIAL STATEMENTS**  
**(Expressed in Canadian dollars)**

**JULY 31, 2006**

**UNAUDITED INTERIM FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited financial statements for the period ended July 31, 2006.

**ALDRSHOT RESOURCES LTD.**  
**BALANCE SHEETS**  
(Unaudited – Prepared by Management)

	July 31, 2006	January 31, 2006
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 285,973	\$ 28,970
Short-term investments	852,680	373,200
Receivables	8,203	39,428
Prepaid expenses	<u>51,635</u>	<u>10,761</u>
	1,198,491	452,359
<b>Equipment</b> (Note 2)	11,043	9,259
<b>Resource properties</b> (Note 3)	<u>499,051</u>	<u>471,300</u>
	<u>\$ 1,708,585</u>	<u>\$ 932,918</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 33,356	\$ 73,138
Due to related parties (Note 6)	<u>3,678</u>	<u>37,729</u>
	<u>37,034</u>	<u>110,867</u>
<b>Shareholders' equity</b> (Note 4)		
Capital stock		
Authorized		
10,000,000 Series "A" cumulative, redeemable, convertible preferred shares with a par value of \$1.00		
Issued : 498,211 (January 31, 2006 – 498,211)	498,211	498,211
Authorized		
500,000,000 common shares without par value		
Issued : 34,050,435 (January 31, 2006 – 27,786,988)	7,736,796	5,924,550
Share subscriptions receivable	(3,000)	-
Contributed surplus	950,298	708,261
Deficit	<u>(7,510,754)</u>	<u>(6,308,971)</u>
	<u>1,671,551</u>	<u>822,051</u>
	<u>\$ 1,708,585</u>	<u>\$ 932,918</u>

**Nature and continuance of operations** (Note 1)

**On behalf of the Board:**

\_\_\_\_\_  
*"Ian Adam"* Director      \_\_\_\_\_  
*"Michael Clements"* Director

The accompanying notes are an integral part of these financial statements.

**ALDERSHOT RESOURCES LTD.**  
**STATEMENTS OF OPERATIONS AND DEFICIT**  
(Unaudited – Prepared by Management)

	Three Month Period Ended July 31, 2006	Three Month Period Ended July 31, 2005	Six Month Period Ended July 31, 2006	Six Month Period Ended July 31, 2005
<b>EXPENSES</b>				
Exploration costs (Note 3)	\$ 106,144	\$ 64,480	\$ 190,234	\$ 82,805
Amortization	746	934	1,413	1,200
Bank charges	673	738	1,357	1,127
Consulting	30,274	6,178	34,774	40,652
Foreign exchange (gain)	-	37,196	(3,727)	22,823
Investor relations	6,400	42,074	81,301	69,066
Management fees (Note 6)	40,000	20,000	60,000	40,000
Administration and secretarial	44,975	20,887	69,557	30,938
Office and rent	30,913	17,270	51,129	24,841
Professional fees	60,674	27,611	82,287	59,687
Property investigation	30,801	45,997	62,165	55,891
Regulatory, and trust company fees	16,074	9,895	23,376	26,048
Shareholder information	3,458	1,574	7,623	2,912
Stock-based compensation (Note 5)	226,605	-	241,625	309,382
Travel and related expenses	60,481	37,016	73,888	67,693
Website design and maintenance	-	(956)	3,131	3,100
<b>Loss before other items</b>	<b>(658,218)</b>	<b>(340,945)</b>	<b>(980,133)</b>	<b>(838,165)</b>
<b>OTHER ITEMS</b>				
Interest income	437	150	4,637	150
Write-down of resource properties' costs	-	-	-	(95,017)
	<u>437</u>	<u>150</u>	<u>4,637</u>	<u>(94,867)</u>
<b>Net loss for the period</b>	<b>(657,781)</b>	<b>(340,795)</b>	<b>(975,496)</b>	<b>(933,032)</b>
<b>Deficit, beginning of period</b>	<b>(6,852,973)</b>	<b>(4,792,057)</b>	<b>(6,308,971)</b>	<b>(4,199,820)</b>
<b>Dividends on preferred shares (Note 4)</b>	<b>-</b>	<b>-</b>	<b>(226,287)</b>	<b>-</b>
<b>Deficit, end of period</b>	<b>\$ (7,510,754)</b>	<b>\$ (5,132,852)</b>	<b>\$ (7,510,754)</b>	<b>\$ (5,132,852)</b>
<b>Basic and diluted loss per share</b>	<b>\$ (0.02)</b>	<b>\$ (0.01)</b>	<b>\$ (0.03)</b>	<b>\$ (0.04)</b>
<b>Weighted average number of shares outstanding</b>	<b>34,042,971</b>	<b>25,582,314</b>	<b>31,333,376</b>	<b>22,493,945</b>

The accompanying notes are an integral part of these financial statements.

**ALDERSHOT RESOURCES LTD.**  
**STATEMENTS OF CASH FLOWS**  
(Unaudited – Prepared by Management)

	Three Month Period Ended July 31, 2006	Three Month Period Ended July 31, 2005	Six Month Period Ended July 31, 2006	Six Month Period Ended July 31, 2005
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net loss for the period	\$ (657,781)	\$ (340,795)	\$ (975,496)	\$ (933,032)
Items not affecting cash:				
Amortization	746	934	1,413	1,200
Stock-based compensation	226,605	-	241,625	309,382
Write-down of resource property costs	-	-	-	95,017
Changes in non-cash working capital items:				
Receivables	14,328	(790)	31,225	8,184
Prepaid expense	(16,277)	(15,671)	(40,874)	(19,820)
Accounts payable and accrued liabilities	<u>(27,890)</u>	<u>(60,048)</u>	<u>(39,783)</u>	<u>(35,979)</u>
Cash used in operating activities	<u>(460,269)</u>	<u>(416,370)</u>	<u>(781,890)</u>	<u>(575,048)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Due to related party	-	-	(34,051)	(51,058)
Share subscriptions (receivable) received	249,000	26,800	(3,000)	(62,000)
Proceeds from issuance of capital stock	-	220,300	1,599,182	1,886,670
Share issue costs	<u>(6,930)</u>	<u>(7,672)</u>	<u>(15,561)</u>	<u>(58,765)</u>
Cash provided by financing activities	<u>242,070</u>	<u>239,428</u>	<u>1,546,570</u>	<u>1,694,847</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisition of equipment	(3,197)	(4,217)	(3,197)	(8,223)
Resource properties' acquisition costs	(15,000)	(102,000)	(25,000)	(118,000)
Short-term investments, net	<u>100,000</u>	<u>(375,910)</u>	<u>(479,480)</u>	<u>(975,910)</u>
Cash provided by (used in) investing activities	<u>81,803</u>	<u>(482,127)</u>	<u>(507,677)</u>	<u>(1,102,133)</u>
<b>Increase (decrease) in cash during period</b>	(136,396)	(659,069)	257,003	17,666
<b>Cash, beginning of period</b>	<u>\$ 422,369</u>	<u>\$ 822,168</u>	<u>28,970</u>	<u>205,433</u>
<b>Cash, end of period</b>	<u>\$ 285,973</u>	<u>\$ 223,099</u>	<u>\$ 285,973</u>	<u>\$ 223,099</u>
Cash paid during the period for interest	\$ -	\$ -	\$ -	\$ -
Cash paid during the period for income taxes	-	-	-	-

The accompanying notes are an integral part of these financial statements.

**ALDERSHOT RESOURCES LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2006**  
(Unaudited – Prepared by Management)

**1. NATURE AND CONTINUANCE OF OPERATIONS**

Aldershot Resources Ltd. (the “Company”), which commenced operations on October 4, 1996, is engaged in the acquisition, exploration and development of precious gem and metal resource properties. The Company’s financial statements previously were consolidated with those of its accounting parent, Can-Dore Diamond Mining Corporation (“Can-Dore”). On July 11, 2005, Can-Dore was dissolved and these financial statements include only the accounts of the Company.

These interim financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles. All financial summaries included are presented on a comparative and consistent basis showing the figures for the corresponding period in the preceding year. The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of annual financial statements. Certain information and footnote disclosure normally included in annual financial statements prepared in accordance with Canadian generally accepted accounting principles has been condensed or omitted. These interim period statements should be read together with the Company’s audited financial statements and the accompanying notes for the year ended January 31, 2006. In the opinion of the Company, its unaudited interim financial statements contain all adjustments necessary in order to present a fair statement of the results of the interim periods presented.

These interim financial statements are prepared in accordance with Canadian generally accepted accounting principles on a going concern basis which assumes that the Company will be able to realize assets and discharge liabilities in the normal course of business. Continued operations of the Company are dependent on the Company’s ability to receive continued financial support from private equity financings, complete public equity financings, or generate profitable operations in the future. The Company’s working capital and deficit position’s are as follows:

	July 31, 2006	January 31, 2006
Working capital	\$ 1,161,457	\$ 341,492
Deficit	(7,510,754)	(6,308,971)

**2. EQUIPMENT**

	July 31, 2006			January 31 2006		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Furniture and equipment	\$ 5,993	\$ 5,009	\$ 984	\$ 5,993	\$ 4,899	\$ 1,094
Computer equipment	16,546	6,487	10,059	13,348	5,183	8,165
	\$ 22,539	\$ 10,749	\$ 11,043	\$ 19,341	\$ 10,082	\$ 9,259

**ALDRSHOT RESOURCES LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2006**  
(Unaudited – Prepared by Management)

**3. RESOURCE PROPERTIES**

The carrying values of the Company's resource properties are as follows:

	July 31, 2006	January 31, 2006
Hornitos Group of Claims, Chile	\$ 62,000	\$ 62,000
Quebec Uranium Claims, Quebec, Canada	129,300	129,300
Sandy Creek, Quebec, Canada	41,500	-
Saguenay River, Quebec, Canada	15,000	-
British Columbia Uranium Claims, British Columbia, Canada	<u>251,251</u>	<u>280,000</u>
	<u>\$ 499,051</u>	<u>\$ 471,300</u>

**Terro de Oro Mining Property - Chile**

San Joint Venture – Chile

The Company entered into a Letter of Intent with International PBX Ventures Ltd. ("PBX") dated June 18, 2004, to create a new Joint Venture project to be known as the "San Joint Venture" involving three concessions and in which the two parties each holds a 50% contributing and participating interest. Although, no funds have been spent or committed at July 31, 2006, the Company intends to pursue this Joint Venture in the future.

**Hornitos Group of Claims – Chile**

On August 20, 2004, the Company entered into an option agreement with International PBX Ventures Ltd ("PBX") to explore PBX's Hornitos property in Region III, Northern Chile. The Hornitos claims cover an area of 3,200 hectares. Pursuant to the terms of the agreement, the Company can earn a 65% interest in the claims by paying PBX a total of \$354,000 over a four year period (\$62,000 paid in cash as at July 31, 2006) and spending \$1,300,000 in an exploration work program over the same period (\$29,086 paid in cash as at July 31, 2006), as set out in the table below:

	Cash payments	Exploration expenditures
February 20, 2005	\$ 16,000	\$ 130,000 best efforts
August 20, 2005	30,000	130,000
August 20, 2006	60,000	130,000
August 20, 2007	100,000	390,000
August 20, 2007	<u>148,000</u>	<u>520,000</u>

**3. RESOURCE PROPERTIES (cont'd...)**

**Quebec Uranium Claims, Canada**

The Company has entered into option agreements on May 25, 2005 for the right to acquire a 100% interest in three groups of mineral claims in the Province of Quebec in Canada. The first group, known as the Pool Group, comprise 42 claims located in Huddersfield and Clapham Townships. The second group, known as the Halliwell Group, comprise 17 claims located in Huddersfield, Clapham and Pontefract Townships. The third group, known as the Hupon Group, comprise 6 claims located in Huddersfield Township. In addition, the Company has staked 185 contiguous claims in order to consolidate its holding in the Province of Quebec.

a) Pool Group

Pursuant to the terms of the agreement, the Company may earn its 100% interest by paying \$140,000, issuing 750,000 common shares and incurring exploration expenditures of \$500,000 over a five year period. During the year-ended January 31, 2006 the Company paid the vendor \$15,000 and issued 150,000 common shares valued at \$39,750. The Company incurred more than the required minimum exploration expenditures of \$50,000 during the first year, ending May 13, 2006.

b) Halliwell Group

Pursuant to the terms of the agreement, the Company may earn its 100% interest by paying \$100,000, issuing 500,000 common shares and incurring exploration expenditures of \$400,000 over a five year period. During the year-ended January 31, 2006 the Company paid the vendor \$10,000 and issued 100,000 common shares valued at \$26,500. The Company incurred more than the required minimum exploration expenditures of \$40,000 during the first year, ending May 13, 2006.

In addition, the Company has made four claims near these 17 claim sites, for which staking costs of \$27,000 were incurred. The costs of the staking activities were also capitalized as part of the acquisition cost during the year-ended January 31, 2006.

c) Hupon Group

Pursuant to the terms of an agreement dated June 28, 2005, the Company may earn its 100% interest by paying \$36,000, issuing 175,000 common shares over a four year period and incurring exploration expenditures of \$100,000 over a five year period. During the year-ended January 31, 2006 the Company paid the vendor \$3,000 and issued 35,000 common shares upon receiving regulatory approval valued at \$8,050. The Company incurred more than the required minimum exploration expenditures of \$10,000 during the first year ending July 14, 2006.

**Sandy Creek, Quebec, Canada**

The Company entered into an option agreement on February 28, 2006 to acquire a 100% interest in a group of 14 mineral claims in the Sandy Creek Area and a group of 9 mineral claims in the Rive Uranium Prospect, all located within its Quebec project claim block in the Province of Quebec. The Company may earn its 100% interest in the claims for the purchase price of \$45,000 and the issuance of 650,000 common shares over a three year period and by spending \$350,000 in exploration expenditures over a five year period. The Company paid \$10,000 and issued 150,000 common shares valued at \$31,500 to the vendor upon receiving regulatory approval and is required to carry out exploration expenditures of \$100,000 during the initial year.

**3. RESOURCE PROPERTIES** (cont'd...)

**Saguenay River Area, Quebec, Canada**

On July 31, 2006 the Company entered into an option agreement pursuant to which the Company has been granted the right to acquire a 100% interest in a group of 50 mineral claims in the Saguenay River Area located in the Province of Quebec.

Subject to TSX Venture Exchange approval, the Company may earn its 100% interest in the Claims for the purchase price of \$115,000 and the issuance of 1,200,000 shares in its capital over a three-year period. The Company has paid \$15,000 to the vendor upon the signing of the option agreement and is obligated to pay \$40,000 and issue 300,000 shares to the vendor upon receiving regulatory approval.

Regulatory approval was received subsequent to the period on August 22, 2006.

**British Columbia Uranium Claims, Canada**

The Company entered into an option agreement dated June 28, 2005 to acquire a 100% interest in five groups of mineral claims located in the province of British Columbia in Canada. Pursuant to the agreement, the Company issued 1,000,000 common shares valued at \$230,000 and paid \$50,000. A 2% net smelter return royalty is also payable with advance royalties of \$10,000 per property group payable annually on the anniversary date of the acquisition so long as the Company retains an interest in the property. The five prospective uranium properties cover 115 claim blocks totaling approximately 34,000 hectares.

During the six month period ended July 31, 2006, the Company returned to treasury 125,000 common shares originally issued in July 2005 pursuant to a property option agreement.

**ALDERSHOT RESOURCES LTD.**  
NOTES TO THE FINANCIAL STATEMENTS  
JULY 31, 2006  
(Unaudited – Prepared by Management)

**3. RESOURCE PROPERTIES (cont'd...)**

The following is a summary of exploration and development costs incurred by the Company related to its mineral property interests, and charged to operations.

	Hornitos Group of Claims	Yuinmery Uranium Project	Turee Creek Uranium Project	Northern Territory Project	Quebec Uranium Claims	British Columbia Uranium Claims	July 31, 2006 Total	July 31, 2005 Total
<b>2006</b>								
Equipment rental	\$ -	\$ -	\$ -	\$ -	\$ 600	\$ -	\$ 600	\$ -
Field crew labour	-	-	-	-	3,623	-	3,623	-
Geological consulting	-	17,773	11,759	26,435	58,296	2,703	116,966	41,421
Geophysical and airborne surveying	-	-	-	-	14,831	-	14,831	-
Maintenance and licence fees	-	7,892	7,330	2,177	-	-	17,399	45,652
Maps and reproduction	25	5,711	12,374	3,513	4,115	869	26,607	8,141
Materials and field supplies	-	-	-	-	1,832	-	1,832	-
Meals and lodging	-	-	-	-	5,580	-	5,580	-
Mineral resource database	-	459	-	-	-	-	459	567
Telephone and communication	-	-	-	-	252	-	252	-
Travel and transport	-	-	-	-	2,085	-	2,085	-
	25	31,835	31,463	32,125	91,214	3,572	190,234	95,781
Recovery of costs	-	-	-	-	-	-	-	(12,976)
<b>Total exploration costs for the period</b>	<b>\$ 25</b>	<b>\$ 31,835</b>	<b>\$ 31,463</b>	<b>\$ 32,125</b>	<b>\$ 91,214</b>	<b>\$ 3,572</b>	<b>\$ 190,234</b>	<b>\$ 82,805</b>

**ALDERSHOT RESOURCES LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JULY 31, 2006**  
(Unaudited – Prepared by Management)

**4. CAPITAL STOCK**

**Common Shares**

	Number of Shares	Capital Stock	Contributed Surplus
Authorized			
500,000,000 common shares without par value			
Issued			
Balance as at January 31, 2006	27,786,988	\$ 5,924,550	\$ 708,261
Private placement (i)	5,060,000	1,518,000	412
Finder's fees (i)	76,300	22,890	-
Exercise of share purchase warrants (iii)	197,000	80,770	-
Shares returned to treasury (Note 4)	(125,000)	(28,750)	-
Dividends to preferred share holders (ii)	905,147	226,287	-
Shares issued pursuant to property agreement (Note 4)	150,000	31,500	-
Stock based compensation (Note 6)	-	-	241,625
Share issue costs	-	(38,451)	-
Balance as at July 31, 2006	34,050,435	\$ 7,736,796	\$ 950,298

During the six month period ended July 31, 2006, the Company:

- i) Completed a 5,060,000 unit non-brokered private placement at \$0.30 per unit for gross proceeds of \$1,518,000. Each unit consists of one common share and one purchase warrant exercisable at \$0.35 until March 14, 2008. The Company paid finder's fees of 76,300 units, valued at \$22,890, with terms that are the same as that for the private placement units, to Epsom Investments Securities NV of Switzerland and \$6,930 in cash to Robert Rosenblat of Vancouver, BC. The proceeds will be used for exploration work on the Company's uranium projects in Quebec, British Columbia and general working capital. As at July 31, 2006, \$3,000 of the proceeds had not been received. This is shown as share subscriptions receivable. .
- ii) On February 28, 2006, the Company declared a dividend on the preferred shares. In settlement of the dividend, on March 21, 2006, the Company issued 905,147 common shares which reduced the declared dividends of \$226,287, including amounts related to preferred shares that were converted during the 2006 fiscal year of \$58,943 as at January 31, 2006 to \$nil.
- iii) Issued 197,000 common shares for gross proceeds of \$80,770 pursuant to the exercise of share purchase warrants.

**ALDRESHOT RESOURCES LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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(Unaudited – Prepared by Management)

**4. CAPITAL STOCK (cont'd...)**

**Preferred shares**

The Company has authorized Series “A” Cumulative, Redeemable, Convertible Preferred share capital of 10,000,000 shares of \$1.00 par value each. As of July 31, 2006 the Company had 498,211 (January 31, 2006 – 498,211) preferred shares issued and outstanding. These shares carry a 10% dividend, are convertible to common shares at the ratio of one preferred share for four common shares at the option of the Company and not at the option of the holders. They are not convertible for the first 12 months and thereafter 25% may be converted every 12 months. The Company can, at any time, redeem all, but not less than all, of the preferred shares at a price of \$1.00 per share subject to all necessary regulatory approvals. The Company will also issue common shares in payment of all outstanding dividends, declared and undeclared with respect to any preferred shares converted. Any outstanding preferred shares not converted into common shares or redeemed by October 21, 2006, being 48 months from the date of issuance on the preferred shares, will be automatically converted into common shares at a deemed price of \$0.25 per share.

On February 28, 2006, the Company declared a dividend on the preferred shares. In settlement of the dividend, on March 21, 2006, the Company issued 905,147 common shares which reduced the declared dividends of \$226,287, including amounts related to preferred shares that were converted during the 2006 fiscal year of \$58,943 as at January 31, 2006 to \$nil.

At July 31, 2006, cumulative undeclared dividends of \$20,747 (2005- \$184,895) were due to the holders of these shares.

**Stock options**

The Company, in accordance with the policies of the TSX-V, may grant options to directors, employees and consultants, to acquire up to 10% of the issued and outstanding common stock. The exercise price of each option is based on the market price of the Company's stock at the date of grant less a discount in accordance with TSX-V policies. The options can be granted for a maximum term of 5 years.

A summary of the stock options outstanding at July 31, 2006:

Number Outstanding January 31, 2006	Granted	Exercised	Cancelled	Expired	Number Outstanding July 31, 2006	Exercise Price Per Share	Expiry Date
1,000,000		-	-	-	1,000,000	\$ 0.25	April 1, 2009
350,000	-	-	-	-	350,000	\$ 0.25	November 9, 2009
925,000	-	-	-	-	925,000	\$ 0.28	April 21, 2010
325,000	-	-	-	-	325,000	\$ 0.24	August 4, 2010
-	60,000	-	-	-	60,000	\$ 0.25	March 1, 2011
-	750,000	-	-	-	750,000	\$ 0.25	May 23, 2011
2,600,000	810,000	-	-	-	3,410,000		

**ALDERSHOT RESOURCES LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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(Unaudited – Prepared by Management)

**4. CAPITAL STOCK (cont'd...)**

**Warrants**

A summary of the share purchase warrants outstanding at July 31, 2006:

Number Outstanding January 31, 2006		Granted	Exercised	Cancelled	Expired	Number Outstanding July 31, 2006		Exercise Price	Expiry Date
400,000	-	-	-	-	400,000	-	\$ 0.21	February 20, 2006	
1,000,000	-	-	-	-	-	1,000,000	\$ 0.30	February 25, 2007	
1,961,353	-	197,000	-	-	-	1,764,353	\$ 0.41	April 18, 2007	
-	5,060,000	-	-	-	-	5,060,000	\$ 0.35	March 14, 2008	
-	76,300	-	-	-	-	76,300	\$0.35	May 9, 2008	
3,361,353	5,136,300	197,000	-	400,000	7,900,653				

**5. STOCK-BASED COMPENSATION**

During the six month period ended July 31, 2006, the Company granted 810,000 (2005 – 925,000) stock options to a consultants, employees, directors and officers. The estimated fair value of these options is recorded as \$241,625 (2005 - \$309,382) at a weighted average fair value of \$0.30 per option (2005 - \$0.33). This amount has been expensed as stock-based compensation in the statement of operations with a corresponding amount recorded as contributed surplus in shareholders' equity.

The following weighted average assumptions were used for Black-Scholes valuation of the stock options granted during the period:

	July 31, 2006	July 31, 2005
Risk-free interest rate	4.08% ~ 4.22%	3.47%
Expected life of options	5 years	5 years
Annualized volatility	152.60% ~ 192.41%	132.87%
Dividend rate	0.00%	0.00%

**ALDERSHOT RESOURCES LTD.**  
NOTES TO THE FINANCIAL STATEMENTS  
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(Unaudited – Prepared by Management)

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**6. RELATED PARTY TRANSACTIONS**

The Company entered into the following transactions with related parties:

- a) Paid or accrued management fees of \$60,000 (2005 - \$40,000) to a director of the Company.
- b) Paid or accrued consulting fees of \$Nil (2005 - \$5,251) to a company controlled by a director of the Company.
- c) Paid or accrued consulting fees of \$10,000 (2005 - \$Nil) to an officer of the Company.
- c) Paid or accrued legal fees of \$Nil (part of professional fees) (2005 - \$9,735) to legal firms of which an officer and a director of the Company are partners.
- d) Paid or accrued geological consulting fees (part of exploration costs) of \$12,792 (2005 - \$15,538) to a company controlled by a director of the Company.
- e) Undeclared dividends on preferred shares of \$5,353 (2005 - \$115,821) are due to a director
- f) Paid or accrued administration fees of \$14,380 (2005 - \$Nil) to a director of the Company.

The following amounts due to related parties are non-interest bearing and have no specific terms of repayment:

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	July 31, 2006	January 31, 2006
Thundelarra Explorations Ltd.	\$ 678	\$ 23,492
Directors	<u>3,000</u>	<u>14,237</u>
	<u>\$ 3,678</u>	<u>\$ 37,729</u>

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Related party transactions are in the normal course of operations, occurring on terms and conditions that are similar to those of transactions with unrelated parties and, therefore, are measured at the exchange amount.

**ALDERSHOT RESOURCES LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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(Unaudited – Prepared by Management)

**7. SEGMENTED INFORMATION**

All of the Company's operations are in the mineral resource exploration industry with its principal business activity in the acquisition and development of mineral resource properties. The Company has mineral resource properties located in Chile, Africa, Australia, and Canada (in British Columbia and Quebec).

	Assets	Exploration Costs
July 31, 2006		
Chile	\$ 62,900	\$ 25
Australia	298,875	95,422
Canada	<u>1,346,810</u>	<u>94,787</u>
	<u>\$ 1,708,585</u>	<u>\$ 190,234</u>
January 31, 2006		
Chile	\$ 62,900	\$ 22,573
Australia	179,139	195,720
Africa	42	-
Canada	<u>690,837</u>	<u>401,599</u>
	<u>\$ 932,918</u>	<u>\$ 619,892</u>

**8. FINANCIAL INSTRUMENTS**

The Company's financial instruments consist of cash, short-term investments, accounts receivable, accounts payable and accrued liabilities and due to related parties. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

**9. SUBSEQUENT EVENTS**

The Company entered into the following transactions subsequent to July 31, 2006:

- a) On August 2, 2006, issued 285,000 common shares pursuant to Quebec Uranium Claims.
- b) On August 3, 2006, the Company entered into a purchase and sale agreement pursuant to which the Company will acquire a 100% interest in a group of 6 mineral claims in the Huddersfield Township located in the Province of Quebec. The Company paid \$17,500 in cash and will issue 100,000 common shares to the vendor.
- c) On August 22, 2006, received regulatory approval on the Saguenay River mineral property option agreement.
- d) On August 30, 2006, granted 50,000 stock options at \$0.25 to a consultant, expiring August 30, 2009.