
**SYMC RESOURCES LIMITED
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2005 AND 2004**



MANNING ELLIOTT
CHARTERED ACCOUNTANTS

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Auditors' Report

To the Shareholders of
SYMC Resources Limited

We have audited the balance sheets of SYMC Resources Limited as at December 31, 2005 and 2004 and the statements of operations and deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2005 and 2004 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Manning Elliott LLP

CHARTERED ACCOUNTANTS

Vancouver, British Columbia

April 13, 2006

SYMC Resources LimitedBalance Sheets
As at December 31, 2005 and 2004

	2005 \$	2004 \$
Assets		
Current Assets		
Cash	762,910	230,201
Cash committed for mineral exploration	-	316,846
Amounts receivable	162,340	25,656
Prepaid expenses	11,529	4,565
	<hr/>	<hr/>
	936,779	577,268
Property Bonds <i>[Note 3[b]]</i>	12,278	12,121
Mineral Property Costs <i>[Note 3]</i>	2,634,824	1,669,398
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	3,583,881	2,258,787
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	90,946	46,247
Due to related parties <i>[Note 8[c]]</i>	15,845	100
	<hr/>	<hr/>
	106,791	46,347
Due to Related Party <i>[Note 8[a]]</i>	70,400	70,400
	<hr/>	<hr/>
	177,191	116,747
Shareholders' Equity		
Share Capital <i>[Note 4]</i>	4,460,664	3,165,143
Contributed Surplus <i>[Note 7]</i>	121,676	2,580
Deficit	(1,175,650)	(1,025,683)
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	3,406,690	2,142,040
	<hr/>	<hr/>
	3,583,881	2,258,787
Commitment <i>[Note 9]</i>		

Approved on behalf of the Board:

"A. David Long"
A. David Long, Director

"Herbert McMaster"
Herbert McMaster, Director

(The Accompanying Notes are an Integral Part of the Financial Statements)

SYMC Resources Limited

Statements of Operations and Deficit

For The Years Ended December 31, 2005 and 2004

	2005	2004
	\$	\$
Revenue	-	-
Expenses		
Impairment loss on deferred mineral exploration costs	-	33,750
Impairment loss on property and equipment	-	57,908
Investor relations	56,217	4,578
Management fees <i>[Note 8[b]]</i>	13,438	5,100
Office, rent and telephone	14,104	7,368
Professional fees	73,874	36,431
Stock-based compensation	99,802	-
Transfer agent and regulatory fees	24,969	19,491
Travel	6,721	1,826
Less: Interest income	(4,871)	(741)
	284,254	165,711
Loss Before Income Taxes	(284,254)	(165,711)
Future Income Tax Recovery <i>[Note 2[h]]</i>	134,287	-
Net Loss for the Year	(149,967)	(165,711)
Deficit - Beginning of Year	(1,025,683)	(859,972)
Deficit - End of Year	(1,175,650)	(1,025,683)
Net Loss Per Share – Basic and Diluted	(0.01)	(0.02)
Weighted Average Shares Outstanding	15,181,000	8,029,000

(The Accompanying Notes are an Integral Part of the Financial Statements)

SYMC Resources Limited

Statements of Cash Flows

For The Years Ended December 31, 2005 and 2004

	2005 \$	2004 \$
Operating Activities		
Net loss for the year	(149,967)	(165,711)
Items not affecting cash		
Future income tax recovery	(134,287)	-
Impairment loss on deferred mineral exploration costs	-	33,750
Impairment loss on property and equipment	-	57,908
Stock-based compensation	99,802	-
Changes in non-cash components of working capital		
Amounts receivable	(27,714)	19,559
Prepaid expenses	(6,964)	(2,581)
Accounts payable and accrued liabilities	44,699	(80,024)
Due to related parties	15,745	100
Cash Used In Operating Activities	(158,686)	(136,999)
Financing Activities		
Proceeds from shares issued	1,458,355	914,805
Share issuance costs	(81,785)	(130,469)
	1,376,570	784,336
Investing Activities		
Property bonds	(157)	(7)
Expenditures on mineral properties	(1,001,864)	(101,794)
	(1,002,021)	(101,801)
Increase in Cash and Cash Equivalents	215,863	545,536
Cash and Cash Equivalents - Beginning of Year	547,047	1,511
Cash and Cash Equivalents - End of Year	762,910	547,047
Cash and Cash Equivalents consists of:		
Cash	762,910	230,201
Cash committed for mineral exploration	-	316,846
	762,910	547,047
Non-cash Investing and Financing Activities		
Shares issued to acquire mineral claims from the President and a director of the Company [Note 3[a][ii]]	72,532	-
Shares issued to settle debt	-	105,000
Supplemental Disclosures		
Interest paid	-	-
Income tax paid	-	-

(The Accompanying Notes are an Integral Part of the Financial Statements)

SYMC Resources Limited

Notes to the Financial Statements

December 31, 2005 and 2004

1. Nature of Operations and Continuance of Business

The Company was incorporated on March 26, 1987 under the provisions of the Company Act of British Columbia.

The Company is in the business of acquiring and exploring mineral properties on Vancouver Island, B.C. There has been no determination whether properties held contain ore reserves, which are economically recoverable. The recoverability of valuations assigned to mineral properties is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the properties, the ability to obtain necessary financing to complete development, and future profitable production or proceeds from disposition.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to continue as a going concern and realized its assets and discharge its liabilities in the normal course of business, and do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. The Company has incurred significant losses since inception and has working capital of \$829,988 as at December 31, 2005. The continued operations of the Company are dependent on its ability to find economically recoverable reserves to generate cash flows from operations and/or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company.

2. Significant Accounting Policies

[a] Basis of presentation

The financial statements of the Company are prepared in accordance with Canadian generally accepted accounting principles.

[b] Use of estimates

The preparation of the 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement of uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

[c] Cash and cash equivalents

The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents.

[d] Mineral properties

All costs related to the acquisition and exploration of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against future income of the project using the unit of production method over estimated recoverable ore reserves. Management periodically assesses carrying values of non-producing properties and if management determines that the carrying values cannot be recovered or the carrying values are related to properties that are allowed to lapse, the unrecoverable amounts are expensed.

The recoverability of the carried amounts of mineral properties is dependent on the existence of economically recoverable ore reserves and the ability to obtain the necessary financing to complete the development of such ore reserves and the success of future operations. The Company has not yet determined whether any of its mineral properties contains economically recoverable reserves. Amounts capitalized as mineral properties represent costs incurred to date, less write-downs and recoveries, and does not necessarily reflect present or future values.

SYMC Resources Limited

Notes to the Financial Statements

December 31, 2005 and 2004

2. Significant Accounting Policies (continued)

[d] Mineral properties (continued)

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

[e] Long-lived assets

The Company monitors the recoverability of long-lived assets, based on factors such as current market value, future asset utilization, business climate and future undiscounted cash flows expected to result from the use of the related assets. The Company's policy is to record an impairment loss in the period when it is determined that the carrying amount of the assets may not be recoverable. The impairment loss is calculated as the amount by which the carrying amount of the assets exceeds the undiscounted estimate of future cash flows from the asset.

[f] Financial instruments

Financial instruments included in the balance sheet are comprised of cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities and due to related parties. The fair values of these balance sheet items are equivalent to their carrying values because of the short-term maturity of those instruments. The Company is not party to any derivative instruments.

The Company has no interest rate risk or concentrations of credit risk.

[g] Income taxes

The Company follows the asset and liability method of accounting for income taxes. Future income tax assets and liabilities are determined based on temporary differences between the accounting and tax bases of existing assets and liabilities, and is measured using the tax rates expected to apply when these differences reverse. A valuation allowance is recorded against any future tax asset if it is more likely than not that the asset will not be realized.

[h] Flow-through shares

The Company has adopted EIC-146, which is effective for all flow-through share transactions initiated after March 19, 2004. Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the Company assigns the tax deductions arising from the related resource expenditures to the shareholders. When resource expenditures are renounced to the investors and the Company has reasonable assurance that the expenditures will be completed, a future income tax liability is recognized and share capital is reduced.

If the Company has sufficient unused tax loss carry forwards or other future income tax assets to offset all or part of this future income tax liability and no future income tax assets have previously been recognized for these items, a portion of such future income tax assets is recognized as income up to the amount of the future income tax liability recognized on the renounced expenditures. During 2005, the Company recognized \$134,287 as a reduction of share capital and corresponding future income tax recovery pursuant to the renunciations made for flow-through shares issued in 2004.

[i] Stock-based compensation

The Company recognizes stock-based compensation expense in accordance with CICA Handbook Section 3870 "Stock-based Compensation and Other Stock-based Payments" ("CICA 3870"). When stock or stock options are issued to non-employees, compensation expense is recognized based on the fair value of the stock or stock options issued. During 2003, the Company changed its accounting policy related to employee stock options, and began to recognize compensation expense for stock or stock option grants to employees, based on the fair value of the stock or stock options issued. Pursuant to the provisions of CICA 3870, the Company has accounted prospectively for stock options issued or modified after January 1, 2003.

SYMC Resources Limited

Notes to the Financial Statements

December 31, 2005 and 2004

2. Significant Accounting Policies (continued)

[j] Asset retirement obligations

Effective January 1, 2004, the Company adopted CICA Handbook Section 3110, "Asset Retirement Obligations", which established standards for asset retirement obligations and the associated retirement costs related to site reclamation and abandonment. The fair value of the liability for an asset retirement obligation is recorded when it is incurred and the corresponding increase to the asset is depreciated over the life of the asset. The liability is increased over time to reflect an accretion element considered in the initial measurement at fair value. As at December 31, 2005, the Company has not incurred any asset retirement obligation related to the exploration of its mineral properties.

[k] Loss per share

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted loss per share. Stock options and warrants are dilutive when the average market price of the common shares during the period exceeds the exercise price of the options and warrants.

As the Company has recorded a loss in each of the period's presented, basic and diluted loss per share are the same since the exercise of warrants or options would reduce the loss per share.

[l] Comparative figures

Certain of the prior period's figures have been reclassified to conform with the current period's presentation.

3. Mineral Properties

	Cumulative to December 31, 2003 \$	Capitalized Expenditures During the Year \$	Cumulative to December 31, 2004 \$	Capitalized Expenditures During the Year \$	Cumulative to December 31, 2005 \$
Access road	172,850	—	172,850	—	172,850
Assays and metallurgy	70,332	2,769	73,101	18,621	91,722
Automotive and fuel	217,893	10,738	228,631	44,009	272,640
Consulting	55,000	—	55,000	—	55,000
Contracted services	36,366	—	36,366	—	36,366
Drilling	123,856	—	123,856	20,774	144,630
Engineering	139,039	—	139,039	—	139,039
Equipment rental	258,967	46,787	305,754	332,009	637,763
Exploration supplies	32,072	5,139	37,211	21,335	58,546
Filing, recording and assessment	78,263	6,207	84,470	3,881	88,351
Geologist and report writing	237,402	11,704	249,106	276,063	525,169
Geophysical	—	—	—	240,173	240,173
Personnel and management [Note 8[b]]	221,247	18,450	239,697	44,999	284,696
Staking	7,000	—	7,000	—	7,000
Surveying	23,710	—	23,710	—	23,710
METC - investment tax credit	(91,296)	(15,657)	(106,953)	(108,970)	(215,923)
	1,582,701	86,137	1,668,838	892,894	2,561,732
Acquisition costs	34,310	—	34,310	72,532	106,842
Impairment loss	—	(33,750)	(33,750)	—	(33,750)
	1,617,011	52,387	1,669,398	965,426	2,634,824

SYMC Resources Limited

Notes to the Financial Statements

December 31, 2005 and 2004

3. Mineral Properties (continued)

[a] The following are the properties owned, all located in the Alberni and Nanaimo Mining Divisions, B.C.:

[i] The Company owns a 100% interest in 35 mineral claims covering 14,362 hectares, known as the Macktush Dauntless (formerly Sky Claims) and MC Properties.

[ii] The Company also owns 100% interest in 19 mineral claims covering 8,687 hectares, known as the Cameron Valley Property (formerly N.S.D.E. Option).

During fiscal 2005, the Company exercised its option to acquire 19 additional mineral claims representing 316 units, held by the President of the Company for his costs of staking and maintaining the claims. During the year ended December 31, 2005, the Company issued 398,922 and 54,400 common shares of the Company to the President of the Company and a director, respectively, at a fair value of \$0.16 per share or \$72,532. These 19 mineral claims consisted of part of the Macktush Property, the Dauntless Property (now part of the Macktush Dauntless and MC Properties) and the Cameron Valley Property.

[iii] The Company also owns a 100% interest in 4 other mineral claims covering 1,200 hectares, known as the Kennedy River Property. During 2004, an impairment loss of \$33,750 was recorded for this property. However, the Company intends to retain ownership, and is looking to option out the property.

[b] Property Bonds

Property bonds are cash deposits pledged to the Province of B.C. The bonds mature and roll over every year until the Company is released from its property bonds.

[c] Mining Exploration Tax Credit

The Company applies for Mining Exploration Tax Credits ("METC") on qualifying British Columbia mineral exploration expenditures incurred. The current year's METC, totalling \$124,628 has been accrued as at December 31, 2005.

4. Share Capital

Authorized: 40,000,000 common shares

	Number of Shares	Value \$
Balance, December 31, 2003	7,216,326	2,275,807
Issued during 2004 for:		
Cash		
- Flow-through	1,885,000	377,000
- Non flow-through	3,520,366	537,805
To settle debt	700,000	105,000
Share issuance costs	—	(130,469)
Balance, December 31, 2004	13,321,692	3,165,143
Issued during 2005 for:		
Cash pursuant to warrants exercised	741,000	181,500
Acquisition of mineral claims	453,322	72,532
Private Placement		
- Flow-through	145,000	58,000
- Non flow-through	3,482,443	1,218,855
Share issuance costs	—	(101,079)
Flow-through share tax recovery	—	(134,287)
Balance, December 31, 2005	18,143,457	4,460,664

SYMC Resources Limited

Notes to the Financial Statements

December 31, 2005 and 2004

4. Share Capital (continued)

[a] Private Placements

- [i] On August 10, 2005, the Company completed a private placement of 3,482,443 non-flow through units ("Unit") and 145,000 flow-through shares at a price of \$0.35 and \$0.40 respectively, for total proceeds of \$1,276,855. Each Unit consisted of one common share and one common share purchase warrant. Each share purchase warrant is exercisable into one common share at a price of \$0.45 per share for the first year and \$0.55 per share in the second year. The Company paid a commission of \$81,785 of the proceeds and issued 129,446 share purchase warrants ("Agent's Warrants") in connection with this private placement. Each Agent's Warrant is exercisable into one common share at a price of \$0.45 in the first year and \$0.55 per share in the second year. The warrants and Agent's Warrants expire on August 11, 2007.
- [ii] On December 30, 2004, the Company completed a private placement of 895,000 flow-through units at a price of \$0.20 per unit for gross proceeds of \$179,000. Each unit consisted of one flow-through common share and one non-transferable share purchase warrant. Each warrant entitles the investor to acquire an additional share at a price of \$0.25 per share until December 30, 2005 and at a price of \$0.30 per share until December 30, 2006. The agent was paid a commission of 8% of the proceeds derived from clients of the Agent. The Company issued the Agent 167,000 share purchase warrants. Each share purchase warrant is exercisable into one share at a price of \$0.22 per share for a period of two years.
- [iii] On December 8, 2004, the Company completed a private placement of 195,000 units at \$0.20 per unit for gross proceeds of \$39,000. Each unit consisted of one common share and one non-transferable share purchase warrant. Each warrant entitles the investor to acquire an additional share at a price of \$0.25 per share December 6, 2005 and at a price of \$0.30 per share until December 6, 2006.
- [iv] On November 18, 2004, the Company completed a private placement and issued 1,975,366 non flow-through units and 990,000 flow-through units at a price of \$0.15 per unit and \$0.20 per unit, respectively, for gross proceeds of \$494,305. Each non flow-through unit consisted of one share and one share purchase warrant and each flow-through unit consisted of one flow-through common share and one share purchase warrant. Each share purchase warrant is exercisable into one additional non flow-through share for a period of two years at a price of \$0.25 per share for the first year and \$0.30 per share for the second year. The Agent was paid a commission of 8% of the proceeds derived from clients of the Agent. The Company issued the Agent 526,046 share purchase warrants. Each share purchase warrant is exercisable into one share at a price of \$0.15 per share for a period of two years. The Company also paid \$25,000 and issued an additional 317,000 share purchase warrants to the Agent for corporate finance fees. Each share purchase warrant is exercisable into one share at a price of \$0.15 per share for a period of two years.
- [v] On October 13, 2004, the Company completed a private placement of 1,350,000 units at \$0.15 per unit for gross proceeds of \$202,500. Each unit consisted of one common share and one non-transferable share purchase warrant. Each warrant entitles the holder to acquire an additional share at a price of \$0.25 per share until October 8, 2005 and at a price of \$0.30 per share until October 8, 2006.

[b] Escrowed common shares

[i] Escrow #1

750,000 common shares are held in escrow subject to release under the direction of regulatory authorities.

[ii] Escrow #2

1,168,741 common shares are held in escrow release of which is subject to regulatory authorities accepting an independent engineering report which indicates that there is a reserve of proven and probable ore on the Mactush property having a value of at least \$300,000.

SYMC Resources Limited

Notes to the Financial Statements

December 31, 2005 and 2004

4. Share Capital (continued)

[c] Commitment to issue common shares to three directors

The Company is committed to issuing 100,000 common shares to three directors upon any mineral property owned by the Company being placed into commercial production, to reimburse those directors for transferring 100,000 shares owned by them to a third party to satisfy a debt obligation of the Company.

5. Stock Options

The Company has a stock option plan whereby it may grant options to its directors, officers and employees at exercise prices to be determined by the Board. The Company has reserved 2,664,338 shares for issuance under this stock option plan. Stock options are subject to the minimum vesting requirements with 25% of the total number of the option granted to be released every three months from the date of grant. The options can be granted for a maximum term of five years.

The following table summarizes the continuity of the Company's stock options:

	Number of shares	Weighted average exercise price \$
Outstanding, December 31, 2003 and 2004	500,000	0.46
Granted	1,250,000	0.31
Cancelled	(100,000)	0.30
Outstanding, December 31, 2005	1,650,000	0.36

Information regarding options outstanding as at December 31, 2005 is as follows:

Exercise price \$	Outstanding			Exercisable	
	Number of shares	Weighted average remaining contractual life (years)	Weighted average exercise price \$	Number of shares	Weighted average exercise price \$
0.25	200,000	1.0	0.25	200,000	0.25
0.30	250,000	0.7	0.30	62,500	0.30
0.34	700,000	4.8	0.34	350,000	0.34
0.46	500,000	3.0	0.46	500,000	0.46
	1,650,000	3.8	0.36	1,112,500	0.38

The fair value for stock options granted was estimated using the Black-Scholes option pricing model assuming no expected dividends and the following weighted average assumptions:

	2005
Risk free interest rate	3.48%
Expected life (in years)	2.6
Expected volatility	98%

The weighted average grant date fair value of stock options granted during 2005 was \$0.10 per option.

SYMC Resources Limited

Notes to the Financial Statements

December 31, 2005 and 2004

6. Share Purchase Warrants

The following table summarizes the continuity of the Company's warrants:

	Number of shares	Weighted average exercise price \$
Balance, December 31, 2003	731,000	0.30
Issued with private placements	6,415,412	0.26
Expired	(479,000)	0.30
Balance, December 31, 2004	6,667,412	0.26
Issued with private placement	3,611,889	0.45
Exercised	(741,000)	0.20
Balance, December 31, 2005	9,538,301	0.35

On August 11, 2005, a total of 129,446 warrants were issued to a broker pursuant to the private placement that closed on August 10, 2005 at an exercise price of \$0.40 per share expiring on August 11, 2007. The fair value of these warrants of \$19,294 was recorded as a share issuance cost. The fair value was determined using the Black-Scholes option pricing model using the following assumptions: risk-free interest rate of 3.13%, expected life of 1 year, expected volatility of 104% and no expected dividends. The grant date fair value of these warrants was \$0.15 per warrant.

As at December 31, 2005, the following share purchase warrants were outstanding:

Number of Warrants	Exercise Price \$	Expiry Date
1,300,000	0.30	October 8, 2006
2,791,366	0.30	November 18, 2006
603,046	0.15	November 18, 2006
195,000	0.30	December 6, 2006
870,000	0.30	December 30, 2006
167,000	0.30	December 30, 2006
3,482,443	0.45/0.55*	August 11, 2007
129,446	0.45/0.55*	August 11, 2007
<u>9,538,301</u>		

*For the lines above that have two exercise prices, the first price represents the exercise price for the first year and the second price represents the exercise price for the second year.

7. Contributed Surplus

The following table summarizes the continuity of the Company's contributed surplus:

	Amount \$
Balance, December 31, 2003 and 2004	2,580
Fair value of stock options granted	108,481
Fair value of warrants granted	19,294
Fair value of stock options cancelled	(8,679)
Balance, December 31, 2005	<u>121,676</u>

SYMC Resources Limited

Notes to the Financial Statements

December 31, 2005 and 2004

8. Related Party Transactions/Balances

During the years ended December 31, 2005 and 2004, the Company was involved in the following related party transactions:

- [a] The amount of \$70,400 due to a director of the Company is non-interest bearing, unsecured and will not be demanded within the next fiscal year.
- [b] The President of the Company was paid or accrued a total of \$53,750 of which \$40,312 (2004 - \$15,300) was for exploration management and \$13,438 (2004 - \$5,100) was for management services.
- [c] As of December 31, 2005, \$10,958 (2004 - \$Nil) was owed to the President of the Company and \$2,747 (2004 - \$100) was owed to directors of the Company for expenses paid on behalf of the Company. Another \$2,140 (2004 - \$Nil) was owed to a company controlled by the Chief Financial Officer of the Company.
- [d] During the year, \$4,280 (2004 - \$Nil) was incurred for accounting and administration services provided by a company controlled by the Chief Financial Officer of the Company.
- [e] Included in amounts receivable is \$Nil (2004 - \$2,691) owed by the President of the Company.

All of the above transactions have been in the normal course of operations and, in management's opinion undertaken with the same terms and conditions as transactions with unrelated parties.

9. Commitment

On January 18, 2005, the Company retained an investor relation's consultant. The Company is committed to paying the consultant \$4,000 per month for a period of two years until January 18, 2007. The Company also granted the consultant 200,000 stock options exercisable at \$0.25 per share and additional 100,000 stock options exercisable at \$0.30 per share. Either party, on sixty days notice, may terminate the agreement.

10. Income Taxes

The tax effect (computed by applying the Canadian federal and provincial statutory rate of 35.62% of the significant temporary differences, which comprise future tax assets and liabilities, are as follows:

	2005	2004
Future income tax assets		
Resource pools	\$ 538,000	\$ 206,000
Non-capital losses	176,000	128,000
Total gross future income tax assets	714,000	334,000
Valuation allowance	(714,000)	(334,000)
Net future income tax asset	\$ -	\$ -

As at December 31, 2005, the Company has non-capital losses carried forward of approximately \$493,000 which are available to offset future years' taxable income. These losses expire as follows:

2006	\$ 34,000
2007	39,000
2008	27,000
2009	39,000
2010	68,000
2014	86,000
2015	200,000
	\$ 493,000

SYMC Resources Limited

Notes to the Financial Statements

December 31, 2005 and 2004

10. Income Taxes (continued)

The Company has cumulative Canadian Exploration Expenses of \$1,179,000 which are 100% deductible against taxable income in future years.

The Company has cumulative Canadian Development Expenses of \$330,000 which are 30% deductible against taxable income in future years.

In assessing the realizability of future tax assets, management considers whether it is more likely than not that some portion of all of the future tax assets will not be realized. The ultimate realization of future tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of future tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The amount of the future tax asset considered realizable could change materially in the near term based on future taxable income during the carry forward period.