



## **THIRD QUARTER FINANCIAL STATEMENT**

***September 30, 2006***

***(Unaudited)***

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### **Unaudited Interim Financial Statements**

In accordance with National Instrument 51-102 released by the Canadian Securities Administration, Uravan Minerals Inc. discloses that its auditors have not reviewed the unaudited financial statements for the quarter ended September 30, 2006

**Uravan Minerals Inc.**  
**Balance Sheets**

	<b>September 30, 2006</b> <i>(unaudited)</i>	<b>December 31, 2005</b> <i>(audited)</i>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 1,117,254	\$ 5,771,005
Marketable securities (market value \$6,550,849; \$3,036,043)	6,550,849	2,871,951
Accounts receivable	1,501,826	7,710
GST Recoverable	-	-
Deposits	150,081	1,081
	<u>9,320,010</u>	<u>8,651,747</u>
Mineral properties and deferred costs (Schedule 1 and note 3)	<u>3,139,215</u>	<u>2,686,532</u>
	<u><u>\$ 12,459,225</u></u>	<u><u>\$ 11,338,279</u></u>
<b>Liabilities</b>		
Current Liabilities		
Accounts payable and accrued liabilities	<u>\$ 79,082</u>	<u>\$ 130,889</u>
	79,082	130,889
Long term debt	749,474	694,078
Future income taxes (note 5)	<u>223,489</u>	<u>17,403</u>
	<u>1,052,045</u>	<u>842,370</u>
<b>Shareholders' Equity</b>		
Share capital (note 4)	\$ 11,501,081	11,396,973
Equity component of long term debt	317,500	317,500
Contributed surplus	1,691,250	331,555
Deficit	<u>(2,102,651)</u>	<u>(1,550,119)</u>
	<u>11,407,180</u>	<u>10,495,909</u>
	<u><u>\$ 12,459,225</u></u>	<u><u>\$ 11,338,279</u></u>

Approved by the Board:

(signed) "Larry Lahusen", Director

(signed) "Michael Lavery", Director

**Uravan Minerals Inc.**  
**Statements of Income and Deficit**  
*(unaudited)*

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2006</b>	<b>2005</b> <i>[restated - note 2(a)]</i>	<b>2006</b>	<b>2005</b> <i>[restated - note 2(a)]</i>
Interest income	\$ 53,401	\$ 4,309	\$ 206,679	\$ 10,355
Expenses				
General and administrative (schedule 2)	(121,576)	45,115	(120,017)	85,079
Stock-based compensation (note 4[d])	-	-	1,392,000	-
Accretion of long term debt	18,466	16,689	55,396	50,068
	<u>(103,110)</u>	<u>61,804</u>	<u>1,327,379</u>	<u>135,147</u>
Loss before the following	<u>156,511</u>	<u>(57,495)</u>	<u>(1,120,701)</u>	<u>(124,792)</u>
Foreign exchange gain (loss)	273	(10,417)	28,463	(19,976)
Write-down of marketable securities	(409,326)	-	(409,326)	-
Gain (loss) on disposal of marketable securities	273,342	66,666	1,155,760	173,967
	<u>(135,712)</u>	<u>56,249</u>	<u>774,897</u>	<u>153,991</u>
Income (loss) before income taxes	20,800	(1,246)	(345,804)	29,199
Future income taxes (recovery) (note 5[b])	28,028	(4,155)	206,728	(153,010)
Net income (loss)	(7,228)	2,909	(552,532)	182,209
Deficit, beginning of period	<u>(2,095,423)</u>	<u>(1,710,873)</u>	<u>(1,550,119)</u>	<u>(1,890,173)</u>
Deficit, end of period	<u>\$ (2,102,651)</u>	<u>\$ (1,707,964)</u>	<u>\$ (2,102,651)</u>	<u>\$ (1,707,964)</u>
Net income (loss) per share				
Basic and diluted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (0.024)</u>	<u>\$ 0.011</u>
Weighted average shares outstanding				
Basic and diluted	<u>23,080,114</u>	<u>16,938,688</u>	<u>23,040,709</u>	<u>16,938,688</u>

**Uravan Minerals Inc.**  
**Statements of Cash Flows**  
*(unaudited)*

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2005	2006	2005
		<i>[restated - note 2(a)]</i>		<i>[restated - note 2(a)]</i>
<b>Operating activities</b>				
Net income (loss)	\$ (7,228)	\$ 2,909	\$ (552,532)	\$ 182,209
Items not affecting cash				
Accretion of long term debt	18,466	16,689	55,396	50,068
Stock-based compensation	-	-	1,392,000	-
Future taxes	28,028	(4,155)	206,728	(153,010)
Write-down of marketable securities	409,326	-	409,326	-
Gain on disposal of marketable securities	<u>(273,342)</u>	<u>(66,666)</u>	<u>(1,155,760)</u>	<u>(173,967)</u>
	175,250	(51,223)	355,158	(94,700)
Changes in non-cash working capital balances	<u>(62,367)</u>	<u>-</u>	<u>(142,693)</u>	<u>(15,295)</u>
	<u>112,883</u>	<u>(51,223)</u>	<u>212,465</u>	<u>(109,995)</u>
<b>Investing activities</b>				
Purchases of marketable securities	(2,392,949)	(391,885)	(12,258,683)	(2,313,114)
Proceeds on disposal of marketable securities	2,558,232	353,545	9,326,219	1,370,244
Additions to mineral properties and deferred costs (net)	(58,431)	(781,600)	(452,683)	(1,249,824)
Changes in non-cash working capital balances	<u>(646,146)</u>	<u>618,185</u>	<u>(1,552,230)</u>	<u>399,765</u>
	<u>(539,294)</u>	<u>(201,755)</u>	<u>(4,937,377)</u>	<u>(1,792,929)</u>
<b>Financing activities</b>				
Advance from an officer and director	-	-	-	(50,000)
Issuance of share capital	-	25,000	73,375	1,043,676
Share issue costs	<u>-</u>	<u>535</u>	<u>(2,214)</u>	<u>(56,882)</u>
	<u>-</u>	<u>25,535</u>	<u>71,161</u>	<u>936,794</u>
Increase (decrease) in cash	(426,411)	(227,443)	(4,653,751)	(966,130)
Cash and cash equivalents, beginning of period	<u>1,543,665</u>	<u>296,951</u>	<u>5,771,005</u>	<u>1,035,638</u>
Cash and cash equivalents, end of period	<u>\$ 1,117,254</u>	<u>\$ 69,508</u>	<u>\$ 1,117,254</u>	<u>\$ 69,508</u>
Cash and cash equivalents consist of				
Deposits with bank	<u>1,117,254</u>	<u>69,508</u>	<u>1,117,254</u>	<u>69,508</u>
	<u>\$ 1,117,254</u>	<u>\$ 69,508</u>	<u>\$ 1,117,254</u>	<u>\$ 69,508</u>
<b>Supplemental cash flow information</b>				
Interest paid	<u>126</u>	<u>-</u>	<u>712</u>	<u>924</u>
	<u>\$ 126</u>	<u>\$ -</u>	<u>\$ 712</u>	<u>\$ 924</u>

**Uravan Minerals Inc.**  
**Notes to Financial Statements**  
**September 30, 2006**  
*(unaudited)*

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1. Nature of entity, basis of presentation and future operations

Since inception, Uravan Minerals Inc. (the "Company") has been devoted to the acquisition and exploration of mineral properties. To date, the company has not earned significant revenues and is considered to be in the development stage. It has not yet been determined whether these properties contain ore reserves that are economically recoverable. Accordingly, costs related to the exploration of minerals have been considered as costs related to the pre-operating stage. Once the company completes preliminary testing and commences field activity, it will be considered to be in the commercial operations phase.

The interim financial statements of the Company have been prepared in accordance with Canadian generally accepted accounting principles and are consistent with the presentation and disclosure in the audited financial statements and notes thereto for the year ended December 31, 2005. The interim financial statements contain disclosures which are incremental to the Company's annual financial statements. Certain disclosures, which are normally required to be included in the notes to the financial statements have been condensed or omitted. The interim financial statements should be read in conjunction with the Company's audited financial statements and notes thereto for the year ended December 31, 2005.

The recoverability of amounts shown for mineral properties and deferred costs is dependent upon the discovery of economically recoverable mineral reserves, continued confirmation of the company's interest in the underlying concessions, the ability of the company to obtain necessary financing to complete the development of the properties, and the generation of sufficient income through future production from or disposition or farm-out of existing mining interests.

2. Significant accounting policies

a. Correction of prior year errors

The comparative financial statements for the three and nine months ending September 30, 2005 have been restated to record accretion expense and the future income tax recovery that was not recorded in the financial statements for the periods then ended. The effect of the error corrections on the Statement of Income and Deficit are the recognition of accretion of long term debt of \$16,689 and \$50,068 for the three months and nine months ended September 30, 2005 respectively and the recognition of future tax recoveries of \$4,155 and \$153,010 for the three and nine months ended September 30, 2005 respectively. Additionally during the three months and nine months ended September 30, 2005, an error was made in the computation of gain on sale of securities, overstating the reported gain by \$268,886. The effect of these errors on the Company's net income was to decrease the reported net income by \$281,420 for the three months ended September 30, 2005 and to decrease the reported net income by \$165,944 for the nine months ended September 30, 2005. The effect on the decrease in reported net income on the Company's reported earnings per share was to decrease the earnings per share for the three months ended September 30, 2005 by \$0.018 and reduced the reported earnings per share by \$0.011 for the nine months ended September 30, 2005.

**Uravan Minerals Inc.**  
**Notes to Financial Statements**  
**September 30, 2006**  
*(unaudited)*

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b. Normal course issuer bid

On March 31, 2006, the Company filed a Notice of Intent to acquire up to 1,145,000 common shares through the facilities of the TSX Venture Exchange Inc. via a Normal Course Issuer Bid. The Normal Course Issuer Bid represents approximately 5% of the issued and outstanding common shares of the company at the time of the Notice of Intent. The present Normal Course Issuer Bid covers the period April 15, 2006 to April 17, 2007.

When shares are reacquired by the Company, the stated value of common shares at the date of reacquisition will be charged to share capital, and any excess of reacquisition cost over stated value will be charged to retained earnings.

3. Mineral properties and deferred costs

a. Rottenstone

The Rottenstone property is located approximately 130 kilometres NNE of La Ronge, Saskatchewan (NTS 74A-7) and consists of a 100% interest in 8 contiguous mineral dispositions covering 13,364 hectares.

b. Boomerang and Thelon Basin

The Boomerang property is located approximately 478 kilometres east of Yellowknife, Northwest Territories ("NT") and consists of a 100% interest in 5 contiguous mineral leases covering 10,055 acres located in the Southwest Thelon Basin, NT.

The Thelon Basin property is contiguous to the Boomerang property and consists of a 100% interest (subject to the earn-in by Cameco Corporation ("Cameco") pursuant to the First Option – see below) in 253 mining claims covering 636,948 acres.

Pursuant to a letter of intent option agreement between the company and Cameco dated June 14, 2005, the company granted Cameco an exclusive and irrevocable option (the "First Option") to acquire 51% in the Boomerang and Thelon Basin properties as described above (the "Property") by incurring cumulative exploration expenditures in relation to the Property as follows:

**Uravan Minerals Inc.**  
**Notes to Financial Statements**  
**September 30, 2006**  
*(unaudited)*

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<b>Earn-in Year</b>	<b>Cameco Minimum Annual Exploration Expenditures</b>	<b>Cumulative Amount</b>
1	\$ 800,000	\$ 800,000
2	800,000	1,600,000
3	1,000,000	2,600,000
4	1,000,000	3,600,000
5	1,200,000	4,800,000
6	1,200,000	6,000,000

In 2005 (Earn-in Year 1), \$1,003,540 was reimbursed to the company by Cameco. During the three months ended September 30, 2006 (Earn-in Year 2), expenditures of \$1,465,439 (2005 - \$169,368) were incurred and are reimbursable to the Company. These expenditures have been included in accounts receivable at September 30, 2006. Expenditures totaling \$2,517,560 (2005 - \$169,368) for the nine months ended September 30, 2006 have been incurred and are reimbursable to the Company.

Conditional upon Cameco fulfilling the First Option, the company granted Cameco a second option (the "Second Option") to acquire an additional 9% interest in the Property by incurring an additional \$4,000,000 in exploration expenditures in relation to the Property by the 10th anniversary of the effective date of the Option.

The final option agreement is subject to approval by the company's and Cameco's board of directors.

c. Garry Lake

The Garry Lake property is located in the northeastern Thelon Basin, approximately 245 kilometers northwest of Baker Lake, Nunavut and consists of a 100% interest in 163 contiguous mining claims covering 378,756 acres. The claims were staked during the nine months ended September 30, 2006 at a cost of \$253,774.

d. Other Properties

The company has incurred exploration and claim costs for other properties in the Northwest Territories and Saskatchewan.

**Uravan Minerals Inc.**  
**Notes to Financial Statements**  
**September 30, 2006**  
*(unaudited)*

4. Share capital

a. Authorized

Unlimited number of Class A Common shares

b. Issued – Common shares

	<b>September 30, 2006</b>		<b>December 31, 2005</b>	
	<i>(unaudited)</i>		<i>(audited)</i>	
	<b>Number</b>	<b>Stated Value</b>	<b>Number</b>	<b>Stated Value</b>
Balance, beginning of period	22,920,114	\$ 11,396,973	15,163,684	\$ 4,221,904
Pursuant to private placements	-	-	6,100,000	7,527,500
Exercise of warrants	160,000	105,680	1,252,430	559,190
Exercise of stock options	-	-	404,000	163,450
	<u>23,080,114</u>	<u>11,502,653</u>	<u>22,920,114</u>	<u>12,472,044</u>
Less: tax deductions renounced to subscribers on issuance of flow-through shares		-		(331,200)
Less: share issue costs (net of tax benefits of \$642; 2005 - \$194,505)		<u>(1,572)</u>		<u>(743,871)</u>
		<u>\$ 11,501,081</u>		<u>\$ 11,396,973</u>

c. Share purchase warrants

A summary of the status of common share purchase warrants outstanding at September 30, 2006 and December 31, 2005 and changes during the years ending on those dates is as follows:

	<b>September 30, 2006</b>		<b>December 31, 2005</b>	
	<i>(unaudited)</i>		<i>(audited)</i>	
	<b>Number Outstanding</b>	<b>Weighted Average Exercise Price</b>	<b>Number Outstanding</b>	<b>Weighted Average Exercise Price</b>
Balance, beginning of period	5,630,000	\$ 1.29	2,747,930	\$ 0.47
Issued	-	-	4,134,500	1.58
Exercised	(160,000)	0.46	(1,252,430)	0.45
Expired	-	-	-	-
Balance, end of period	<u>5,470,000</u>	<u>\$ 1.31</u>	<u>5,630,000</u>	<u>\$ 1.29</u>



**Uravan Minerals Inc.**  
**Notes to Financial Statements**  
**September 30, 2006**  
*(unaudited)*

The following table summarizes information about common share purchase warrants outstanding at September 30, 2006 and December 31, 2005:

Exercise Price	September 30, 2006 <i>(unaudited)</i>		December 31, 2005 <i>(audited)</i>	
	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Number Outstanding	Weighted Average Remaining Contractual Life (Years)
\$ 0.15	-	-	50,000	0.25
0.50	1,412,500	0.25	1,450,000	1.00
0.65	-	-	72,500	0.28
0.90	1,350,000	0.04	1,350,000	0.83
1.55	332,500	1.01	332,500	1.76
2.00	2,375,000	0.51	2,375,000	1.26
	<u>5,470,000</u>	<u>0.36</u>	<u>5,630,000</u>	<u>1.10</u>

d. Stock based compensation

- i. During the nine months ended September 30, 2006, the Company issued 1,200,000 stock options to employees and directors under the Company's stock option plan. The stock options granted have an exercise price of \$1.30 per share and vested immediately upon issuance. At September 30, 2006, all stock options granted during the period remained outstanding and exercisable. The outstanding and exercisable options have a weighted average remaining life of 4.26 years.
- ii. The company used the Black-Scholes pricing model to determine the fair value of stock options issued during the nine months ended September 30, 2006 using the following weighted average assumptions:

Expected life (years)	5.00
Risk free interest rate (%)	4.20
Expected volatility (%)	138
Expected dividend yield (%)	-
Fair value of options granted (\$/option)	1.16

**Uravan Minerals Inc.**  
**Notes to Financial Statements**  
**September 30, 2006**  
*(unaudited)*

5. Future income taxes

- a. The components of the future income tax liability at September 30, 2006 and December 31, 2005 are as follows:

	<b>September 30, 2006</b>	<b>December 31, 2005</b>
	<i>(unaudited)</i>	<i>(audited)</i>
Temporary differences related to marketable securities	\$ (81,342)	\$ (25,508)
Temporary differences related to mineral properties and deferred costs	427,135	391,732
Share issue costs	(119,287)	(167,848)
Attributed Canadian Royalty Income	(3,017)	(3,469)
Non-capital loss carry forwards	-	(177,504)
	<u>\$ 223,489</u>	<u>\$ 17,403</u>

- b. Future income taxes (recovery) differs from that which would be expected from applying the combined effective Canadian federal and provincial income tax rates of 34.50% (2005 – 37.62%) to income (loss) before income taxes. The difference results from the following:

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2006</b>	<b>2005</b>	<b>2006</b>	<b>2005</b>
Expected income taxes	\$ 7,176	\$ (469)	\$ (119,302)	\$ 10,985
Accretion of long term debt	6,370	6,278	19,112	18,836
Non-taxable portion of capital gains	(47,152)	(12,540)	(199,369)	(32,723)
Non-deductible crown charges	-	-	-	702
Resource loss	(3,671)	1,980	(3,662)	5,941
Attributed Canadian Royalty Income	-	-	-	(3,783)
Effect of change in tax rates	65,293	565	29,262	2,171
Stock-based compensation	-	-	480,240	-
Other	11	31	448	68
Future tax benefit not previously recognized	-	-	-	(155,207)
	<u>\$ 28,028</u>	<u>\$ (4,155)</u>	<u>\$ 206,728</u>	<u>\$ (153,010)</u>

**Uravan Minerals Inc.**  
**Notes to Financial Statements**  
**September 30, 2006**  
*(unaudited)*

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6. Related party transactions

- a. Mineral properties and deferred costs includes \$NIL (2005 - \$14,188) of consulting and other fees paid to a company controlled by an officer and director.
- b. General and administrative expenses includes \$3,000 (2005 - \$3,000) of consulting fees paid to corporations controlled by directors and officers.

These transactions are in 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. Comparative figures

Certain figures in the comparative financial statements have been reclassified to be consistent with the current presentation.

8. Subsequent events

Subsequent to September 30, 2006, the Company issued 167,500 common shares on exercise of warrants, for gross proceeds of \$137,750.

**Uravan Minerals Inc.**  
**Schedule One – Mineral Properties and Deferred Exploration Costs**

	<b>September 30, 2006</b> <i>(unaudited)</i>	<b>Net Additions</b> <i>(unaudited)</i>	<b>December 31, 2005</b> <i>(audited)</i>
<b>Rottenstone project</b>			
Property acquisition costs and option payments	\$ 90,982	\$ -	\$ 90,982
Geological and consulting	1,400,255	8,249	1,392,006
Drilling	479,751	-	479,751
Government assistance	(112,927)	-	(112,927)
	<u>1,858,061</u>	<u>8,249</u>	<u>1,849,812</u>
<b>Boomerang project</b>			
Property acquisition costs and option payments	30,165	-	30,165
Geological and consulting	147,273	134,839	12,434
	<u>177,438</u>	<u>134,839</u>	<u>42,599</u>
<b>Thelon Basin project</b>			
Property acquisition costs and option payments	342,440	20,569	321,871
Geological and consulting	3,897,255	2,525,078	1,372,177
Recovery on earn-in agreement	(3,521,100)	(2,517,560)	(1,003,540)
	<u>718,595</u>	<u>28,087</u>	<u>690,508</u>
<b>Garry Lake project</b>			
Property acquisition costs and option payments	253,774	253,774	-
Geological and consulting	27,733	27,733	-
	<u>281,508</u>	<u>281,507</u>	<u>-</u>
<b>Other projects</b>			
Property acquisition costs and option payments	1,460	-	1,460
Geological and consulting	112,909	-	112,909
	<u>114,369</u>	<u>-</u>	<u>114,369</u>
Less: mineral properties abandoned	(10,756)	-	(10,756)
	<u>103,613</u>	<u>-</u>	<u>103,613</u>
<b>Total mineral properties and deferred costs</b>	<u><u>\$ 3,139,215</u></u>	<u><u>\$ 452,683</u></u>	<u><u>\$ 2,686,532</u></u>

**Uravan Minerals Inc.**  
**Schedule Two – General and Administrative Expenses**  
*(unaudited)*

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2005	2006	2005
Insurance	\$ -	\$ -	\$ 2,000	\$ 2,325
Interest and bank charges	213	16,440	1,244	17,419
Office	1,642	3,215	7,859	7,360
Professional fees	6,706	3,228	39,661	9,651
Rent	3,886	3,986	11,227	11,178
Shareholder reporting	1,355	13,503	22,540	20,516
Stock exchange fees	(378)	4,000	8,479	9,560
Transfer agent fees	7,693	743	9,993	7,070
Overhead recoveries	(142,693)	-	(223,019)	-
	<u>\$ (121,576)</u>	<u>\$ 45,115</u>	<u>\$ (120,017)</u>	<u>\$ 85,079</u>



**MANAGEMENT DISCUSSIONS & ANALYSIS**

**THIRD QUARTER FINANCIAL STATEMENT**

***September 30, 2006***

***(Unaudited)***

# URAVAN MINERALS INC.

## MANAGEMENT DISCUSSIONS & ANALYSIS

Quarter Ended September 30, 2006

### Introduction

The following Management Discussions and Analysis (the "MD&A") for Uravan Minerals Inc. (the "Corporation") incorporates the results of operations and financial information for the three and nine months ended September 30, 2006 (the "Financial Statements") and any other information that may be available up to November 30, 2006. This MD&A should be read in conjunction with the unaudited Financial Statements and Annual Audited Financial Statements and the related notes of the Corporation for the quarter ended September 30, 2006 and December 31, 2005 respectively. The reader is encouraged to review the Corporation's statutory filings on [www.sedar.com](http://www.sedar.com).

### Nature of Operations

Uravan Minerals Inc. (the "Corporation" or "Uravan") is a mineral exploration company specializing in uranium, base metal (nickel, copper) and precious metal (platinum, palladium) exploration. The Corporation's principal assets are its Boomerang uranium project, its recently acquired Garry Lake uranium property and its Rottenstone Nickel-Copper-PGM project. Due to the continual increase in the uranium prices, going from \$7.10 per pound U3O8 in 2000 to \$64.00 recently, the Corporation has focused on planning and carrying out further exploration for potential high-grade unconformity-type uranium deposits on its Boomerang uranium project (SW Thelon Basin properties) and the Garry Lake uranium property (NE Thelon Basin property) and acquiring other potential uranium properties or opportunities.

The Boomerang uranium project is a joint exploration effort between Cameco and Uravan whereby Uravan granted Cameco an option to earn a 60% interest in the Boomerang property by funding an aggregate of \$10,000,000. Uravan is currently the operator of the project with the responsibility to plan and carry out exploration programs on the Boomerang property on behalf of Cameco. The 2006 exploration program(s) consisted of completing 168 line kilometers of conventional Fixed Loop and Stepping Moving Loop surveys over several of the strongest EM features along and within the G- and F- conductive trends, completing six (6) NQ widely-spaced incline diamond drill holes (BL06-60 thru -65 inclusive); three drill holes in each of the G- and F- trends, totaling 1558.7 meters drilled and completing a new airborne MEGATEM geophysical survey resulting in collecting 2992 line-kilometers of geophysical data by flying 400 m spaced traverse lines.

On the Garry Lake uranium property, a historical data compilation study has been completed resulting in compiling over 7000 geochemical data points consisting of uranium in lake waters and lake sediments analysis. In early 2007 an airborne EM geophysical survey will be flown over the entire property followed by ground reconnaissance mapping programs and diamond drilling.

Further mapping and geophysical surveys are planned for the Rottenstone Project to define potential drill targets.

All of the mineral properties the Corporation owns are considered to be in the exploration stage in which no known body of commercial ore has been developed yet. For details see 'Property Summary and Exploration Update'.

### Selected Annual Financial Information

The following table summarizes selected financial data for the Corporation for each of the three most recently completed financial quarters ended September 30, 2006, 2005 and 2004. The information below should be read in conjunction with the Financial Statements, which are prepared in accordance with Canadian Generally Accepted Accounting Principals (GAAP).

Quarter Ended September 30	2006	2005	2004
Total Revenue (1)	\$ 326,743	\$ 70,975	\$ 463
General & Administrative Expense	(121,576)	45,115	7,913
Accretion of long term debt	18,466	-	-
Write-down of marketable securities	409,326	268,886	-
Net income (loss)	(7,228)	(284,329)	(8,202)
Total long-term financial liabilities	749,474	627,321	800,000
Total Assets	\$ 12,459,225	\$ 5,277,545	\$ 2,631,170

## URAVAN MINERALS INC.

### MANAGEMENT DISCUSSIONS & ANALYSIS

**Quarter Ended September 30, 2006**

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<sup>(1)</sup> Total revenue consists of interest, dividend and gain on sale of marketable securities.

#### **Results of Operations and Revenue**

The Corporation is a development stage mineral exploration company and currently derives no revenues from operations. The Corporation receives some revenue from interest on cash balances and dividends from marketable securities. Over the last ten most recently completed quarters most of the Corporation's operating capital has been generated from the sale of marketable securities and financing activities.

In the three and nine months ended September 30, 2006 the Corporation showed a net loss of \$7,228 (2005 – (\$2,909)) and \$552,532 (2005 – (\$182,209)) respectively. Total income amounting to \$326,742 (2005 - \$70,975) for the three months ended September 30, 2006, and \$1,362,439 (2005 - \$184,522) and for the nine months then ended was received primarily from the gain on disposal of marketable securities plus interest and dividend income.

The increase in income from 2005 was offset by increases in the accretion of long term debt and stock-based compensation expense of \$1,392,000 and a write down of marketable securities of \$409,362 reflecting the excess of cost over market value at September 30, 2006. General and administrative expenses increased substantially from 2005 however, the increases were mitigated by overhead recoveries charged on Cameco billings. The increase in gross general and administrative expenses was due primarily to the increase in professional fees (accounting and audit fees) and stock exchange/regulatory related costs (for details see Schedule 2 of the Financial Statements).

Although the sale of marketable securities is not the Corporation's primary business, this activity has provided gains on sale which has provided the funds to offset the Corporation's general administrative expenses and some mineral exploration activity.

#### **Results of Exploration Activity and Expenditures**

In the nine months ended September 30, 2006 the Corporation's exploration and property acquisition expenditures totaled \$482,683 (net of reimbursement by Cameco – see exploration operations below). The majority of the exploration, property acquisition and permitting expenditures were incurred on the Corporation's Garry Lake project for initial staking costs. Expenditures on the Rottenstone property and other projects amounted to \$424,595. For details on exploration and acquisition costs incurred during the nine months ended September 30, 2006 see note 3 and Schedule 1 of the Financial Statements.

During the nine months ended September 30, 2006, the Corporation acquired about 378,756 acres (153,277 hectares), which form a continuous block of 163 claims in the Garry Lake area, northeastern Thelon Basin, located approximately 245 kilometers NW of Baker Lake, Nunavut.

#### **Financial Condition**

##### **Liquidity and Capital Resources**

As at September 30, 2006 the Corporation had \$9,240,928 in working capital (December 31, 2005 - \$8,520,858) obtained primarily from public financings that closed during the year ended December 31, 2005, the exercise of warrants, the sale of marketable securities and interest income. The Corporation's working capital is held as cash and cash equivalents amounting to \$1,117,254 (December 31, 2005 - \$5,771,005), marketable securities with a cost of \$6,550,849 (December 31, 2005 - \$2,871,951) and accounts receivable and GST recoverable of \$1,501,826 (December 31, 2005 - \$7,710).

As at September 30, 2006 the market value of the Corporation's marketable securities was \$6,550,849, which exceeded the book value of marketable securities by \$409,326. The cost of the marketable securities was written down to reflect the excess of cost over market value at September 30, 2006. The Corporation's short term investment and tradable securities can be liquidated on relatively short notice, if required.



## URAVAN MINERALS INC.

### MANAGEMENT DISCUSSIONS & ANALYSIS

#### **Quarter Ended September 30, 2006**

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The majority of the Corporation's working capital and its ability to fund exploration activities on its mineral properties are obtained either by joint venture arrangements and/or public financings. One of the Corporation's primary objectives in 2006 and prior years is to acquire mineral properties believed to have high exploration potential and, as a means to preserve working capital and deferrer exploration risk, seek and enter into joint venture arrangements with other third parties that can fund exploration to earn an interest on its existing projects or additional properties. As an exploration stage company, with limited revenue stream, the Corporation carefully budgets exploration and administrative expenses, and closely monitors its cash 'burn rate' and cash position.

During the nine months ended September 30, 2006 the Corporation did not close or enter into any private placement financings or joint venture arrangements. There were 160,000 common shares issued for aggregate proceeds of \$73,375 on the exercise of broker warrants from the financings completed during the year ended December 31, 2005.

#### **Future Financial Conditions**

The Corporation believes the continuing increase in the cost of securities reporting, regulatory compliance and audit and accounting fees remains a significant factor that could affect the future financial condition of the Corporation. The Corporation believes that these costs will continue to rise in ensuing years due to the constant change to regulatory reporting, corporate governance and compliance, interim and annual financial documentation and reporting.

Another area of financial risk to the Corporation is the steep rise in the cost to perform exploration activities throughout Canada and particularly in Canada's northern territories (NT and NU). Over the last five years exploration cost have gone up significantly as the mineral industry struggles with the increased cost associated with land use permitting, the increased price of fuel and materials, a shortage of equipment and trained people and delays that result from these conditions.

A growing concern of the Corporation is the ability of the Federal Government land use regulators to issue land use permits (LUP) for mineral exploration on the Corporation's mining claims in the NT and NU due to native land claim issues and growing opposition by environmental and special interest groups.

Factors that may positively or negatively impact the future financial condition and performance of the Corporation is the overall health of the global economies as the Corporation usually derives a significant portion of its working capital from public financings and trading marketable securities.

Other factors' that may affect the performance of the Corporation is the positive or negative movement in metal prices, which is strongly related to the health of the global markets, which affects the overall demand for metals. A decline in the metal prices would affect the availability of equity funds and the Corporations ability to obtain exploration financing. Currently the metal markets are at historic highs driven by rapidly expanding Asian economies. The Corporation believes the current high metal prices are sustainable and will continue to appreciate over the next several years due to the overall growth in the global economies and particularly in the developing nations such as China and India.

The uranium market is one area where the Corporation has been affected positively. Uranium prices have been rising, going from \$7.10 per pound U3O8 in 2000 to approximately \$64 per pound at November 30, 2006. The current market trend in uranium prices will greatly assist the Corporation in any funding required for current and future exploration activity on its Boomerang and Garry Lake uranium projects and other newly acquired uranium properties.

The Corporation plans to aggressively pursue further exploration of its Boomerang uranium project with its joint venture partner Cameco, to seek a funding partner for its Garry Lake uranium property and to evaluate and acquire other prospective uranium opportunities. This planned activity is subject to the maintenance of continuing rise in uranium prices, the availability equipment and personnel and timely government land use permitting.

#### **Contractual Obligations**

The only contractual obligation the Corporation has is office rent of \$14,849 annually. Other mineral property obligations the Corporation has are the Boomerang lease fees amounting to \$10,055 due annually plus minimum work commitments on the adjoining claims (collectively the "Boomerang Project") of \$1,600,520 for 2006. As at September 30, 2006 the

## URAVAN MINERALS INC.

### MANAGEMENT DISCUSSIONS & ANALYSIS

#### Quarter Ended September 30, 2006

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necessary minimum work commitments had been completed. The annual lease fees and the 2006 work commitments on the adjoining claims are expected to be majority funded by Cameco through the Boomerang Option Agreement.

#### Transactions with Related Parties

In the nine months ended September 30, 2006 the Corporation paid \$8,000 (2005 - \$14,188) in consulting fees to a company(s) controlled by an officer and director of the Corporation relating to mineral property and deferred exploration costs, which have subsequently been recovered under the Cameco Earn-in agreement and \$3,000 (2005 - \$3,000) in general and administrative expenses were paid by the Corporation to a company and corporation controlled by officers and directors of the Corporation

#### Off-Balance Sheet Arrangements

The Corporation has no "off-balance sheet arrangements".

#### Proposed Transactions

In the normal course of business, the Corporation from time to time conducts geological reconnaissance and property evaluation for possible acquisition and considers proposals from other companies for optioning its own properties. These potential acquisitions and proposals, which are generally subject to Board, regulatory and possibly shareholder approvals, may involve future payments, share issuance and property work commitments or the reduction of its existing mineral interest. These future obligations or option proposals are usually contingent in nature and generally the Corporation is only required to incur the obligations or proposals it wishes to continue with.

#### Critical Accounting Estimates

Critical accounting estimates are assumptions made by the Corporation about matters that are highly uncertain at the time the accounting assumption is made.

#### Changes in Accounting Policies Including Initial Adoption

The Corporation's accounts are stated using Canadian Generally Accepted Accounting Principles (GAAP). In the six months ended June 30, 2006 the Corporation received regulatory approval to proceed with a Normal Course Issuer Bid. Under the terms of the normal course issuer bid, the Corporation may acquire up to 1,145,000 common shares through the facilities of the TSX Venture Exchange Inc., and returned to treasury. The Normal Course Issuer Bid represents approximately 5% of the issued and outstanding common shares of the company at the time of regulatory approval. The present Normal Course Issuer Bid covers the period April 15, 2006 to April 17, 2007.

When shares are reacquired by the Corporation, the stated value of common shares at the date of reacquisition will be charged to share capital, and any excess of reacquisition cost over stated value will be charged to retained earnings. The Corporation has not made any repurchases under the normal course issuer bid.

The comparative financial statements for the three and nine months ending September 30, 2005 have been restated to record accretion expense and the future income tax recovery that was not recorded in the financial statements for the periods then ended. The effect of the error corrections on the Statement of Income and Deficit are the recognition of accretion of long term debt of \$16,689 and \$50,068 for the three months and nine months ended September 30, 2005 respectively and the recognition of future tax recoveries of \$4,155 and \$153,010 for the three and nine months ended September 30, 2005 respectively. Additionally during the three months and nine months ended September 30, 2005, an error was made in the computation of gain on sale of securities, overstating the reported gain by \$268,886. The effect of these errors on the Company's net income was to decrease the reported net income by \$281,420 for the three months ended September 30, 2005 and to decrease the reported net income by \$165,944 for the nine months ended September 30, 2005. The effect on the decrease in reported net income on the Company's reported earnings per share was to decrease the earnings per share for the three months ended September 30, 2005 by \$0.018 and reduced the reported earnings per share by \$0.011 for the nine months ended September 30, 2005.

## URAVAN MINERALS INC.

### MANAGEMENT DISCUSSIONS & ANALYSIS

**Quarter Ended September 30, 2006**

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#### **Financial Instruments and Other Instruments**

The Corporation currently does not own, hold or have any material interest in, or liability associated with, any financial or other instruments other than the marketable securities and the accounts payable and accrued liabilities shown on the balance sheet.

#### **Risks and Uncertainties - Environmental, Regulatory, Capital Markets and Others**

The Corporation operates as a mineral explorer in the mining industry that is Canada wide in scope. Mineral exploration involves considerable financial and technical risk. Substantial time and expenditures are usually required to make a discovery and to establish economic ore reserves. It is impossible to assure that the current exploration properties and programs planned by the Corporation will result in an economic mineral discovery and development. Accordingly, success in achieving the objectives of the Corporation is affected by many circumstances over which the Corporation has no control. There is inherent risk in the exploration for mineral resources that is unavoidable. Also, there are risks associated with political instability, the impact of commodity prices on the valuation of mineral properties and share prices and general changes in economic conditions and the ability of the Corporation to obtain LUP on its mineral properties.

The Corporation's mineral exploration activities have to be financed either through joint ventures or in the capital markets through the sale of its Common Shares. The ability of the Corporation to raise exploration funds in the capital markets is highly dependent on the value the market places on the Corporation's mineral properties and the strength of the metal markets. The value the market places on the Corporation's mineral exploration properties is directly related to the grade and thickness of the contain mineralization being reported and the potential to develop these mineral values into an economic deposit.

#### **Management and Corporate Matters**

The Corporation is dependent on a small number of key personnel. The loss of any of these people could have an adverse affect on the Corporation. There were no changes in officers or directors during the course of the year, nor to date.

#### **Property Summary and Exploration Update**

The Corporation is a mineral exploration company specializing in uranium, base metal (nickel, copper) and precious metal (platinum, palladium) exploration. The Corporation's principal assets are its Boomerang uranium project, the Garry Lake uranium property and it Rottenstone Nickel-Copper-PGM project. The following is a summary of exploration activity carried out by the Corporation or its partners on each of these projects.

#### **BOOMERANG URANIUM PROJECT**

The Corporation owns 258 contiguous mineral leases and mining claims covering 647,003 acres of prospective uranium property (the "Boomerang Property") located in the Thelon Basin, NT (see map titled "Thelon & Athabasca Basins"). The Boomerang Property mining leases and claims are located about 300 miles east of Yellowknife, NT.

Effective January 1, 2005 the Corporation and Cameco Corporation ("Cameco") entered into the Boomerang Option Agreement whereby Cameco was granted an option to earn an aggregate 60% interest in the Corporation's 100% owned Boomerang Property by funding a cumulative ten million dollars (\$10,000,000) in exploration expenditures. The Corporation is currently the operator with the responsibility to plan, organize and carry out Annual Exploration Programs on behalf of Cameco. Cameco is expected to fund 100% of the exploration expenditures to the extent of its minimum earn-in amount.

The Boomerang Property straddles the western margin of the southwest Thelon Basin and extends eastward covering Paleoproterozoic basement domains, where the Thelon sandstone – basement contact is considered to be highly prospective for unconformity-type uranium deposits. The Thelon Basin is a Paleoproterozoic intracratonic basin that is coeval with the Paleoproterozoic Athabasca Basin, SK and the Kombolgie Basin in northern Australia.

## URAVAN MINERALS INC.

### MANAGEMENT DISCUSSIONS & ANALYSIS

#### Quarter Ended September 30, 2006

The primary area of interest on the Boomerang Property is a NE trending belt of supracrustal rocks known as the Elk River Belt of uncertain age, Archean or Proterozoic Age, which consists of a suite of psammitic to pelitic metasedimentary rocks with accompanying intermediate to felsic volcanic rocks. This volcano-sedimentary sequence is overlain unconformably by the flat-lying un-metamorphosed Paleoproterozoic Thelon Formation consisting of basal fluvial non-marine conglomerates and quartzose sandstones.

In July 2005 Fugro Airborne Surveys ("Fugro") completed an airborne MEGATEM geophysical survey for UraVan over the Boomerang Property. The MEGATEM survey covered all of the Boomerang Property area (400,429 acres) amounting to 1540 square kilometers (prior to recent additional land acquisitions). A total of 7596 line-kilometers of data were collected by flying 243 traverse lines on 250-meter line spacing. The interpretive work completed on the survey identified two high priority basement-hosted EM conductive trends (the "G" and "F" conductive trends) that have characteristics of reactivated basement structures. The G- and F- anomalies are considered major conductive trends that have substantial strike lengths (+20 kilometers) and occur in part within a broad corridor of favorable graphite-bearing pelitic metasedimentary basement rocks that underlie the Thelon sandstone cover.

Prior to drill testing selected area along the G- and F- conductive trends a surface TDEM (Time Domain Electromagnetic) geophysical survey was conducted over selected portions of the G- and F- conductive trends as identified by the 2005 MEGATEM survey. The 168 line-kilometer geophysical surveys were completed on two grids (the F and G grids), employing 500x800 meter Fixed and 200x400 meter Stepwise Moving Transmitter Loop lay-outs. Interpretations confirm the existence of several laterally extensive highly complex EM anomalies that form conductive zones or 'packages of conductivity' measuring about 800 meters wide and occurring at 200 – 350 meter depths throughout the F- and G- grid areas. The strongest individual conductors occur at or near the unconformity between the Thelon sandstone and underlying graphite-bearing pelitic metasedimentary basement rocks. These conductors display significant shifting in strike and depth into the basement rocks and in some areas the conductive anomaly projects upward into the overlying Thelon sandstone. The apparent complexity of these conductors suggests reactivated basement structures, a key component necessary for the development of unconformity-type uranium deposits.

In July 2006, the Corporation commenced a reconnaissance diamond drilling on the Boomerang Uranium Project. The reconnaissance diamond drill holes were located on pre-selected geophysical cross sections through the F- and G- conductive trends. The geophysical cross sections were derived from a follow-up ground Time Domain Electromagnetic (TDEM) geophysical survey. By mid-August, six (6) NQ widely-spaced incline diamond drill holes (BL06-60 thru -65 inclusive) were completed; three drill holes in each trend, totaling 1558.7 meters drilled. These inclined reconnaissance drill holes were positioned to intersect conductive geophysical structures in the basement and interpreted structural zones in the Thelon sandstone, both critical elements in the search for high-grade uranium deposits positioned at the unconformity and within the basement beneath the unconformity. All drill holes were sampled intensively and submitted for major oxides and trace elements analysis and clay mineralogy. Various petrographic techniques have commenced on high priority samples and to date analytical results from the six drill holes have been received.

Based on the observations from the Corporation's technical team and the current analytical results the 2006 summer drill program identified the following critically important attributes that will be utilized to guide further exploration along the highly prospective F- and G-trends:

- The basal Thelon sandstone-conglomerate in the drilled portions of the F- and G-trends is a clay-rich paleoaquifer with locally anomalous uranium abundances (>1 ppm U) and has sustained extensive reduction during high-grade diagenesis, all fundamentally important features that characterize prospective lithofacies along the base of Paleoproterozoic basins that host unconformity-related uranium deposit.
- The basement terrains beneath the Thelon sandstone in both of the drilled segments of the conductive F- and G-trends are comprised of lithologically different metasedimentary sequences, both considered to possess high potential for unconformity-related uranium mineralization.
- The drilling confirmed the presence of post-Thelon brittle faults that displace the Thelon unconformity. Some faults record post-Thelon chloritization and bleaching; a significant structural-hydrothermal feature that confirms the transmission of basement-derived hydrothermal fluids along structures near the faulted unconformity.
- Fracture-controlled and disseminated sulphide mineralization was intersected in highly reduced clay-rich Thelon sandstone at and near the unconformity in both the F- and G-trends. This sulphide mineralization is associated with elevated uranium along with low but anomalous abundances of nickel-cobalt-arsenic-silver-phosphorous and vein-controlled hydrothermal clay. The elemental signature of this newly intersected mineralization is similar in part to the Thelon sandstone-basement mineralization intersected in the previously drilled Boomerang F-trend drill

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### MANAGEMENT DISCUSSIONS & ANALYSIS

#### Quarter Ended September 30, 2006

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hole BL-83-21 which returned grades of 0.5% U<sub>3</sub>O<sub>8</sub>, 22.4g/t Au, 12.3g/t, Ag with anomalous concentrations of Ni-Co-As-PGM over a width of .5 meters.

- The newly intersected fracture-controlled and disseminated sulphide mineralization in the sub parallel F- and G-trends records the migration of basement-derived metal-bearing hydrothermal fluids into basal sandstone-conglomerate of the Thelon Formation. The recognition of fracture-controlled sulphide mineralization in both trends demonstrates that unconformity-related mineralizing processes were operative in both of these structural corridors and that mineralizing processes were operative over significant strike lengths within these corridors, at least 1.2 km along the G-trend and at least 7.8 km along the F-trend, extending from the previously drilled Boomerang intersection in drill hole BL-83-21 to drill hole BL-06-65.

The Corporation and Cameco believe this initial reconnaissance drill program was an overwhelming technical and geological success particularly in defining a second zone of unconformity-related sulphide mineralization-alteration in the F-trend and similar mineralization-alteration in the newly recognized G-trend. These results confirm the resolve for enhanced multi-year and multi-disciplinary exploration programs focused on tracing the highly encouraging 2006 results towards discovery of unconformity-related uranium deposits within both these highly prospective conductive trends.

In July 2006 Fugro Airborne Surveys ("Fugro") completed a new airborne MEGATEM geophysical survey, extending the 2005 survey to the northeast covering the projection of the F- and G- conductors. Based on preliminary interpretive work from the merged MEGATEM data, the F- and G-conductive trends individually have a strike length of >50 kilometers and strike northeast across the entire Boomerang Uranium Project. The importance of both the extensions of the F- and G-conductive trends is that major basement-hosted conductive anomalies have been identified along their entire strike lengths. These anomalies have the potential to host unconformity-type uranium deposits. The F- and G-conductive trends are 2 to 3 kilometers wide and lie within broader structural corridors that are comprised in part of prospective graphite-bearing pelitic metasedimentary basement rocks that underlie sandstones of the Thelon Basin.

#### GARRY LAKE URANIUM PROPERTY

In May 2006 the Corporation staked about 378,756 acres (153,277 hectares), which form a continuous block of 163 claims in the Garry Lake area, northeastern Thelon Basin, located approximately 245 kilometers NW of Baker Lake, Nunavut. This newly acquired land package is owned 100% by the Corporation and compliments the Corporation's long-standing land holdings at Boomerang Lake in the southwestern Thelon Basin where it currently has a \$10,000,000 earn-in commitment from Cameco Corporation.

The Garry Lake claim block covers the Thelon-basement contact as well as extending into the basin. The land package was acquired on the strength of exploration assessment records, favorable basement metasedimentary rocks belonging to the upper Amer Group, overlying coarse-grained sandstones of the Thelon Formation, regional-scale fault zones and previously discovered uranium bearing basement boulder train.

The most significant results from previous exploration on the property was the discovery in 1981 and 1982 of 19 mineralized boulders that define a 3 kilometers long uranium-bearing boulder train, oriented parallel to the interpreted ice flow direction of 330°. These boulders have been interpreted as unconformity-associated type mineralization and yielded assays ranging from 0.87% U<sub>3</sub>O<sub>8</sub> to 27.12% U<sub>3</sub>O<sub>8</sub> with an average of 7.19% U<sub>3</sub>O<sub>8</sub>. Uranium soil anomalies collected in the area define the geometry of this train, and also suggest the presence of a second train located several 100 metres to the west of the original train.

The comparison of the geology of the Thelon Basin and its uranium deposits/prospects to Athabasca Basin and its high-grade unconformity-associated uranium deposits, implies that the Thelon Basin possess a high potential for additional uranium discoveries. Uranium mineralization at the unconformity, Uravan's Boomerang Lake prospect, and within the basement proximal to the unconformity, the five deposits that form the Kiggavik-Andrews Lake uranium district, remain the preferred high priority target for exploration in the under-explored Thelon Basin. The Garry Lake claim block covers a structurally disrupted basement-sandstone domain that has similarities to known uranium deposits and prospects in the northeastern Thelon Basin.

The Corporation plans further exploration on the Garry Lake property in 2007 consisting of airborne EM geophysical work and additional surface sampling programs to better define the source of the high-grade uranium bearing boulder train described above. The Corporation recently completed a historical data compilation and study resulting in compiling over



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7000 achieved geochemical data points consisting of uranium in lake waters and lake sediments analysis. The results of this work will be used to further define the planned geophysical work.

**ROTTENSTONE NI-CU-PGM PROJECT**

The Rottenstone property is located approximately 130 kilometres NNE of the town of La Ronge, northern Saskatchewan consisting of 8 contiguous mineral dispositions covering 13,364 hectares. The Corporation owns 100% of the mineral interest covered by the mineral dispositions as described below. Claude Resources Inc. ("Claude") retains a 2% net smelter return (NSR) on one mineral claim, S-106565, and a 0.5% NSR on the adjoining mineral claims within a 3 kilometre distance from S-106565. Uravan has the option to purchase one-half (1% NSR) of the 2% NSR by paying Claude \$1,000,000. By November 30, 2008, the Corporation must complete a 'bankable feasibility study' on S-106565 or return the mineral disposition to Claude.

The Rottenstone Cu-Ni-PGE target being pursued is that of the previously exploited Rottenstone deposit. The Rottenstone deposit was mined in the mid-late 1960's, producing approximately 40,000 tons of high-grade ore grading 3.28% Ni, 1.83% Cu and 9.63 g/t PGE. The extremely high Ni-Cu-PGE grades in association with high contained sulphides (40% to 60%) hosted in a small ultramafic body strongly indicates that the Rottenstone deposit is an extension of a much larger ultramafic intrusive body hosting a much larger high-grade Ni-Cu-PGE deposit in the area or at depth.

The most significant exploration work completed by Uravan from 1998 to present consists of: (1) a 2,776 line Km airborne Magnetic and VLF-EM geophysical survey, (2) a 130 square kilometre helicopter-borne treetop biogeochemical survey, (3) several ground geophysical surveys consisting of TEM, Magnetic, MaxMin, IP and gravity surveys, (4) several local area B-horizon soil geochemical surveys and, (5) several drill programs resulting in forty (40) BQ-size diamond drill holes completed totaling 5242.7 metres drilled. This exploration work is equally divided between reconnaissance work on a property wide basis and more focused exploration activity conducted within a one-square kilometre area around the previously mined Rottenstone deposit.

To date, exploration efforts conducted by Uravan have not been successful in finding the extension or source of the high-grade Ni-Cu-PGE mineralization associated with the previously exploited Rottenstone deposit. In 2005 Uravan completed additional and new assaying on biogeochemical samples collected in previous years. This assaying program was performed for additional nickel-PGE pathfinder elements that were not available initially. Uravan believes the results of this assaying program, based on evaluating and modeling the entire geochemical data base on the property, and has highlighted an anomalous geochemical corridor from which to focus additional mapping, sampling and geophysical work.

In the fall of 2006 Uravan plans to pursue a mapping and sampling field program focused on investigating several areas within the anomalous geochemical corridor discussed above. Following positive results on this activity, additional airborne geophysical surveys will be conducted plus other new soil sampling techniques designed to image buried deposits.

**Forward Looking Statements**

The annual financial report and the foregoing MD&A for the quarter ended September 30, 2005 may contain forward looking statements including those describing the Corporation's future plans and including the expectations of management that a stated result or condition will occur. Any statement addressing future events or conditions necessarily involves inherent risk and uncertainty. Actual results can differ materially from those anticipated by management at the time of writing due to many factors, the majority of which are beyond the control of the Corporation and its management.

**URAVAN MINERALS INC.**

**Signed "Larry Lahusen"**  
**President, CEO and Director**