

ALTURAS MINERALS CORP.

Formerly Iron Lakes Minerals Inc.

(Exploration stage entity)

Interim Consolidated Financial Statements

For the six months ended March 31, 2006

(unaudited)

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INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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NOTICE OF NO AUDITOR REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accompanying unaudited interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor, PricewaterhouseCoopers LLP, has not performed a review of these financial statements, in accordance with standards established by the Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Alturas Minerals Corp.
May 30, 2006

ALTURAS MINERALS CORP.

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(Exploration stage entity)

INTERIM CONSOLIDATED BALANCE SHEET

As at	March 31, 2006 (unaudited) \$	September 30, 2005 (audited) \$
ASSETS		
Current		
Cash	272,116	391,685
Accounts receivable	2,979	0
Prepays (note 9)	109,950	1,250
	385,045	392,935
Mineral exploration properties (note 4)	364,529	350,613
	749,574	743,548
LIABILITIES		
Current		
Accounts payable and accrued liabilities	104,326	23,949
Due to related parties (note 5)	1,082	40,553
	105,408	64,502
SHAREHOLDERS' EQUITY		
Capital stock (note 7)	1,112,777	1,106,777
Warrants (note 7)	22,000	22,000
Contributed surplus (note 7)	9,000	6,000
Deficit	(499,611)	(455,731)
	644,166	679,046
	749,574	743,548

Subsequent Events (note 10)

See accompanying notes to the unaudited interim period consolidated financial statements

ALTURAS MINERALS CORP.

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INTERIM CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT

	Three months ended		Six months ended	
	March 31, 2006	March 31, 2005	March 31, 2006	March 31, 2005
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	\$	\$	\$	\$
Income	0	0	0	0
Expenses				
Management fees	0	6,750	0	6,750
Audit, legal and regulatory	15,445	2,303	28,570	3,253
Shareholder relations	4,552	4,915	7,934	5,533
Travel	562	1,619	836	1,619
General and administrative	1,209	215	3,540	257
Stock-based compensation (note 7)	1,500	0	3,000	0
	23,268	15,802	43,880	17,412
Net loss	(23,268)	(15,802)	(43,880)	(17,412)
Deficit, beginning of the period	(476,343)	(433,903)	(455,731)	(432,293)
Deficit, end of the period	(499,611)	(449,705)	(499,611)	(449,705)
Basic loss per share (note 6)	0	0	0	0

See accompanying notes to the unaudited interim period consolidated financial statements

ALTURAS MINERALS CORP.

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INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended		Six months ended	
	March 31, 2006	March 31, 2005	March 31, 2006	March 31, 2005
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
	\$	\$	\$	\$
Cash provided by (used in)				
Operations				
Loss for the period	(23,268)	(15,802)	(43,880)	(17,412)
Items not involving cash				
Stock-based compensation	1,500	0	3,000	0
	(21,768)	(15,802)	(40,880)	(17,412)
Net change in non-cash working capital items				
Accounts receivable	(2,979)	(1,458)	(2,979)	(551)
Prepays	(108,700)	0	(108,700)	0
Accounts payable and accrued liabilities	78,643	(7,000)	80,377	(7,000)
Due to related parties	(8,224)	4,105	(39,471)	4,105
	(63,028)	(20,155)	(111,653)	(20,858)
Financing				
Proceeds on issuance of shares	0	0	6,000	0
Investing				
Mineral exploration properties	(4,916)	0	(13,916)	0
Decrease in cash	(67,944)	(20,155)	(119,569)	(20,858)
Cash, beginning of period	340,060	43,990	391,685	44,693
Cash, end of period	272,116	23,835	272,116	23,835

See accompanying notes to the unaudited interim period consolidated financial statements

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended March 31, 2006 (unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

Alturas Minerals Corp. (the "Company") is in the business of acquiring, exploring and developing mineral properties that it believes contain mineralization that will be economically recoverable in the future. The carrying value of mineral exploration properties represent costs incurred to date for active mining claims and does not reflect present or future values.

The Company, which is in the development stage, has not yet established whether its mineral exploration properties contain reserves that are economically recoverable. The recovery of amounts capitalized for mineral exploration properties is dependent upon the existence of economically recoverable mineral deposits, the ability of the Company to obtain the necessary financing to complete exploration and/or development of the properties, and upon future profitable production or proceeds from the disposition of the properties.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company has suffered recurring losses from operations that raise substantial doubt about its ability to continue as a going concern. These financial statements do not include adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements were prepared in accordance with Canadian generally accepted accounting principles and follow the same accounting policies and methods as those used in the preparation of the audited annual consolidated financial statements for the year ended September 30, 2005. Under Canadian generally accepted accounting principles, additional disclosure is required in annual financial statements and accordingly the unaudited interim period consolidated financial statements should be read together with the audited annual consolidated financial statements.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its inactive wholly owned Mexican subsidiary company, Minera Lago del Fierro, S.A. de C.V. All significant intercompany transactions and balances have been eliminated on consolidation.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. The most significant estimates and assumptions include those related to the ability of the Company to continue as a going concern (note 1) and the mineral exploration properties. Actual results could differ from those estimates. By their nature, estimates are subject to uncertainty.

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Mineral Exploration Properties

The Company records its interest in mineral exploration properties at cost. Direct costs relating to the acquisition, exploration and development of mineral properties are deferred until such time as the properties are either put into commercial production, sold, determined not to be economically viable or abandoned. If the property is placed into production, deferred costs would be amortized over the estimated life of the mineral property. Acquisition costs and related deferred exploration expenditures would be written off if an entire group of mining claims is disproven, sold or abandoned.

The amounts shown for mineral exploration properties represent costs incurred to date, less write-offs, and do not necessarily reflect the present or future values of the particular properties.

Long-Lived Assets

Long-lived assets, which are comprised of mineral exploration properties, are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. In the absence of established mineral reserves, the Company does not have a basis for preparing a projection of the estimated future net cash flow from the property. Events or circumstances that would signal a possible impairment include undue delays in exploration, unfavourable changes in the property or project economics, an inability to access the site, and environmental restrictions on development. An impairment loss is measured as the amount by which the carrying value exceeds its fair value.

Loss Per Share

Loss per share is calculated using the weighted average number of common shares outstanding during the year. The diluted loss per share gives effect to the exercise of any option for which the exercise price is lower than the average market price during the period.

Stock-based Compensation

The Company accounts for stock-based compensation using the fair-value based method. Accordingly, the fair-value based method has been prospectively applied to awards granted, modified or settled on or after October 1, 2003. The fair value of each option is accounted for in operations, over the expected life of the options, and the related credit is included in contributed surplus.

Asset Retirement Obligations

Effective October 1, 2004, the Company adopted the 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 March 31, 2006, the Company has not incurred or committed any asset retirement obligations related to its mineral exploration properties.

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six month period ended March 31, 2006 (unaudited)

3. FINANCIAL INSTRUMENTS

Canadian generally accepted accounting principles require that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the balance sheet date based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

The carrying amount of cash, accounts receivable and accounts payable and accrued liabilities approximate fair value due to their short-term maturity. The terms and conditions of the amounts due to related parties are more favourable than could be obtained in the open market. Accordingly, it is not practicable to determine the fair value of these financial instruments with sufficient reliability.

4. MINERAL EXPLORATION PROPERTIES

	March 31, 2006	September 30, 2005
	(unaudited) \$	(audited) \$
Duffell Lake Area, Northwestern Ontario		
Unpatented mining claims and claim blocks located in the Duffell Lake area, Patricia Mining Division, Ontario, acquired by the issue of 1,000,000 shares valued at \$0.10 per share. The claims are subject to a 4% net smelter return royalty and are scheduled to expire between November 2006 and June 2008.	100,000	100,000
Deferred exploration expenditures	264,529	250,613
	364,529	350,613

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For the six month period ended March 31, 2006 (unaudited)

5. RELATED PARTY BALANCES AND TRANSACTIONS

The following summarizes amounts owing to related parties for the period:

	March 31, 2006	September 30, 2005
	(unaudited) \$	(audited) \$
Due to a director and a company controlled by that director	732	37,070
Due to Milner Consolidated Silver Mines Ltd.	350	3,483
	1,082	40,553

During the year ended September 30, 2005, the Company was indebted to Milner Consolidated Silver Mines Ltd., a company that previously exercised significant influence over Iron Lake and had common directors. The indebtedness of \$3,483 was interest free, secured by all the Company's mining interests in the Duffell Lake area. During the period ended December 31, 2005 the Company repaid the \$3,483 and received a full release of the security interest.

Administrative expenses and an allowance for travel expenses are charged to the Company by Milner Consolidated Silver Mines Ltd. and a company controlled by a director. 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. The balance is non-interest bearing and payable upon demand.

The cost of such services for the three months ended March 31, 2006 was \$546 (2005 – NIL) for Milner Consolidated Silver Mines Ltd. and \$1,244 (2005 - \$8,518) for the company controlled by the director.

In addition, during the six month period, the Company paid \$37,070 owing to the director and a company controlled by that director. These payments were made in accordance with the terms of a debt settlement agreement made between the Company, the director and a company controlled by that director during the fourth quarter of 2005.

6. LOSS PER SHARE

Loss per share is calculated using the weighted average number of shares outstanding. The weighted average number of shares outstanding for the six month period ended March 31, 2006 was 16,625,714 (2005 - 8,845,055) and for the three month period ended March 31, 2006 was 16,630,000 (2005 – 8,900,000). As a result of the net losses for these periods, diluted loss per share data is not presented as the exercise of warrants and options would have been anti-dilutive.

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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7. SHARE CAPITAL

Authorized

Unlimited number of
Common shares
Preferred shares

Issued	Number of common shares	Consideration
Balance, September 30, 2004 and 2003	8,400,000	\$ 710,000
Issued during the year:		
Issued for cash under private placements	7,500,000	400,000
Issued as consideration for share issue costs	400,000	20,000
Issued for exercise of stock options	270,000	27,000
Share issue costs	-	(28,223)
Warrants	-	(22,000)
Balance, September 30, 2005	16,570,000	\$ 1,106,777
Issued during the year:		
Issued for exercise of options	60,000	6,000
Balance, March 31, 2006	16,630,000	\$ 1,112,777

Issued for exercise of stock options during the period

On October 14, 2005, the Company issued 60,000 common shares as a result of stock options that were exercised at a price of \$0.10 per share.

Warrants

	Number of Warrants	Weighted Average Exercise Price
Balance, September 30, 2004 and 2003	-	\$ -
Warrants granted (*)	500,000	0.12
Warrants granted (**)	7,000,000	0.10
Balance, September 30, 2005 and March 31, 2006	7,500,000	\$ 0.10

As at March 31, 2006 the following warrants are outstanding to purchase common shares:

Date of Issue	Warrants Issued	Value	Exercise Price	Expiry Date
October 15, 2004	500,000	\$ 3,000	\$ 0.10 - 0.12	Oct. 15, 2006
September 15, 2005	7,000,000	19,000	0.10	Sept 15, 2006
	7,500,000	\$ 22,000		

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7. SHARE CAPITAL (continued)

(*) On October 15, 2004 the Company issued 500,000 common share purchase warrants as part of \$50,000 a private placement. These warrants entitle the holder to purchase one common share at a price of \$0.10 per share on or before October 15, 2005 and at a price of \$0.12 per share on or before October 15, 2006. The estimated fair market value at the date of grant under the Black-Scholes pricing model was \$3,000. The following assumptions were used to estimate this figure: expected dividend yield - 0%; expected volatility - 23%; risk-free interest rate - 3.20%; and an expected average life of 24 months.

(**) On September 15, 2005 the Company issued 7,000,000 common share purchase warrants as part of a \$350,000 non-brokered private placement. These warrants entitle the holder to purchase one common share at a price of \$0.10 per share on or before September 15, 2006. The estimated fair market value at the date of grant under the Black-Scholes pricing model was \$19,000. The following assumptions were used to estimate this figure: expected dividend yield - 0%; expected volatility - 25%; risk-free interest rate - 3.11%; and an expected average life of 12 months.

Subscription Receipts

	Number of Receipts	Weighted Average Purchase Price
Balance, September 30, 2004 and 2003	0	
Receipts issued (***) and (****)	<u>7,000,000</u>	\$0.05
Balance, September 30, 2005 and December 31, 2005	7,000,000	\$0.05
Receipt pricing amendment: 3 old for 1 new (****)	<u>(4,666,667)</u>	
Balance, March 31, 2006	<u><u>2,333,333</u></u>	\$0.15

(***) On September 15, 2005, the Company issued 7,000,000 subscription receipts as part of a \$350,000 non-brokered private placement (the "Subscription Receipt Financing"). Each subscription receipt, originally at a price of \$0.05, consisted of one common share and one common share purchase warrant. The related purchase warrants were originally priced at \$0.10 per share and were to expire on September 15, 2006.

(****) On March 29, 2006 the terms and pricing of the Subscription Receipt Financing were amended. Each subscription receipt is now priced at \$0.15 (previously \$0.05). The exercise price of the related share purchase warrants has been amended to \$0.20 (previously \$0.10) per share and expire two years from the date that the subscription receipts are exercised, rather than September 15, 2006. A finders fee of 233,333 (previously 400,000) common shares at a price of \$0.15 (previously \$0.05) per share is payable upon exercise of the subscription receipts. The closing of the Subscription Receipt Financing is subject to the Company graduating to the TSX Venture Exchange as a Tier 2 issuer. (See Subsequent Events note 10).

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Contributed Surplus

A summary of changes to contributed surplus is as follows:

Balance, September 30, 2005	\$	6,000
Stock-based compensation (note 8)		3,000
Balance March 31, 2006	\$	9,000

The fair value of the stock options granted on September 19, 2005, \$18,000, was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: expected dividend yield - 0%; expected volatility - 37%; risk-free interest rate - 3.47%; and an expected average life of 60 months. As the options vest equally over a three-year period, the impact on 2006 earnings is \$6,000 and is recognized equally in each quarter.

8. STOCK OPTIONS

The Company has a stock option plan under which the directors of the Company may grant options to acquire shares of the Company to directors, officers and consultants.

Stock option transactions and the number of stock options outstanding are as follows:

	Number of Options	Weighted Average Exercise Price
Balance, September 30, 2003 and 2004	810,000	\$ 0.10
Options granted	750,000	0.10
Options exercised	(270,000)	0.10
Balance, September 30, 2005	1,290,000	\$ 0.10
Options exercised	(60,000)	0.10
Options expired	(60,000)	0.10
Balance, March 31, 2006	1,170,000	\$ 0.10

Expiry Date	Exercise price	Options Outstanding
May 26, 2008	\$0.10	420,000
September 19, 2010	\$0.10	750,000
Balance, March 31, 2006		1,170,000

During the prior year a revision was made to an existing stock option agreement dated May 26, 2003 to correct the exercise price from the original amount of \$0.04 per common share to \$0.10 per common share. The expiry date of those 420,000 options affected continues to be May 26, 2008 under the revised agreement.

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9. PREPAID EXPENSES

At the end of the period the Company set up an accrual for legal and accounting costs it had incurred with respect to an amalgamation that closed on April 6, 2006 (See Subsequent Events note 10). Because this event closed after March 31, 2006, the related expenses of \$108,500 were treated as a prepaid expense.

	March 31, 2006	September 30, 2005
	(unaudited) \$	(audited) \$
Prepaid Legal & Accounting	108,500	0
Prepaid Courier	200	0
Prepaid NEX Listing Fees	1,250	1,250
	109,950	1,250

10. SUBSEQUENT EVENTS

On April 6, 2006 Alturas Minerals Corp. ("Former Alturas"), Iron Lake Minerals Inc. ("Iron Lake") and 6516521 Canada Inc. (a wholly owned subsidiary of Iron Lake) closed an amalgamation agreement (the "Amalgamation Agreement") providing for a three-cornered amalgamation. The Amalgamation Agreement was entered into on February 8, 2006.

Terms of the transaction called for Iron Lake to acquire all of the issued and outstanding common shares of Former Alturas (the "Former Alturas Common Shares") by way of the amalgamation of Former Alturas and 6516521 Canada Inc. to form Alturas Holdings Ltd. ("Amalco"). On the amalgamation, each issued and outstanding Former Alturas Common Share was exchanged for three and one-half (3.5) Iron Lake common shares and each issued and outstanding common share of 6516521 Canada Inc. was converted into one common share of Amalco (the Amalco Common Shares). Accordingly, 11,430,565 Former Alturas Common Shares were exchanged for 40,006,978 common shares of Iron Lake in accordance with the Amalgamation Agreement. Amalco then issued to Iron Lake one Amalco Common Share for each Iron Lake common share issued to holders of Former Alturas Common Shares.

In addition, holders of 430,565 former Alturas warrants (the "Former Alturas Warrants") were deemed to have exchanged the Former Alturas Warrants for 1,506,978 Iron Lake Warrants whereby each such Former Alturas Warrant entitled the holder to receive upon exercise of the Former Alturas Warrant, in lieu of the number of Former Alturas Common Shares otherwise issuable upon such exercise, that number of Iron Lake common shares which the holder would have been entitled to receive if immediately prior to the completion of the amalgamation, such holder had been the registered holder of that number of Former Alturas Common Shares to which such holder had previously been entitled to receive upon such exercise.

On completion of the amalgamation, Iron Lake held all of the outstanding shares of Amalco. Amalco will continue to carry on business of Former Alturas as a wholly-owned subsidiary. Immediately on completion of the amalgamation Iron Lake was renamed to Alturas Minerals Corp. (the "Issuer") and began trading on the TSX Venture Exchange (the "TSXVE") Tier 2 on April 10, 2006 under the symbol "ALT".

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As a result of the completion of the amalgamation, a private placement offering (the "Offering") of 32,527,582 former Alturas special warrants (the "Former Alturas Special Warrants") that were issued at a price of \$0.215 per special warrant for gross proceeds of \$6,993,430.13 were released from escrow. The Former Alturas Special Warrants were exchanged for the same number of special warrants of the issuer, each of which were immediately automatically exercised in accordance with their terms for units of the Issuer, each such unit consisting of one common share of the Issuer and one-half of a common share purchase warrant. Each common share purchase warrant is exercisable at a price of \$0.25 for a period of two years from the date of issue. 2,276,931 compensation options of Former Alturas issued in connection with the Offering were exchanged for an equal number of compensation options of the Issuer.

On April 10, 2006, pursuant to the terms of the Subscription Receipt Financing, the Issuer issued a further 2,333,333 common shares and 233,333 common shares were issued with respect to a finders fee. (See Share Capital Note 7)

All such securities of the Issuer issued in connection with the Amalgamation and the Offering, as well as all previously issued securities of the Issuer including those issued in connection with the Subscription Receipt Financing, were subject to a 3 old for 1 new consolidation, such that a total of approximately 30,577,075 common shares of the Issuer (91,731,226 pre-consolidation) will be issued and outstanding as of April 10, 2006 (40,927,420 on a fully-diluted basis (122,782,259 pre-Consolidation)).