

**NOTICE TO SHAREHOLDERS
FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2005**

SIMBERI GOLD CORPORATION

Responsibility for consolidated financial statements

The accompanying consolidated financial statements for Simberi Gold Corporation have been prepared by management in accordance with Canadian generally accepted accounting principles consistently applied. The most significant of these accounting principles have been set out in the December 31, 2004 audited consolidated financial statements. Only changes in accounting information have been disclosed in these consolidated financial statements. These statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the consolidated financial statements, management is satisfied that these consolidated financial statements have been fairly presented.

Auditors' involvement

The auditors of Simberi Gold Corporation have not performed a review of the unaudited consolidated financial statements for the three and nine months ended September 30, 2005 and September 30, 2004.

SIMBERI GOLD CORPORATION

Consolidated Balance Sheets

	September 30, 2005 (Unaudited)	December 31, 2004 (Audited)
Assets		
Current		
Cash and cash equivalents	\$ 3,391,417	\$ 267,066
Accounts receivable	17,633	21,368
Due from related parties (Note 5)	466,882	428,857
	3,875,932	717,291
Computer equipment, net of accumulated amortization	1,226	-
Mining interests (Note 2)	1,090,960	3,500,547
	\$ 4,968,118	\$ 4,217,838
Liabilities and Shareholders' Equity		
Current		
Accounts payable and accrued liabilities	\$ 10,558	\$ 167,392
Net liabilities assumed from related party (Note 5)	29,880	29,880
	40,438	197,272
Shareholders' equity		
Share capital		
Authorized		
Unlimited common shares		
Issued		
Common shares (Note 3)	5,961,052	5,961,052
Contributed Surplus (Note 4(c))	772,582	314,742
Deficit	(1,805,954)	(2,255,228)
	4,927,680	4,020,566
	\$ 4,968,118	\$ 4,217,838

SIMBERI GOLD CORPORATION

Consolidated Statements of Operations and Deficit

	Three months ended September 30, (Unaudited)		Nine months ended September 30, (Unaudited)	
	2005	2004	2005	2004
Sale of property (Note 6)	\$ -	\$ -	\$ 4,000,000	\$ -
Cost of sale				
Property allocation	-	-	2,571,274	-
Other direct costs	-	-	163,581	-
	-	-	2,734,855	-
	-	-	1,265,145	-
Operating expenses	95,291	301,264	383,325	716,222
Interest income	(12,430)	-	(25,449)	-
Amortization	155	-	155	-
Stock-based compensation (Note 4(a))	225,219	34,725	457,840	34,725
	308,235	335,989	815,871	750,947
Net income (loss) for the period	\$ (308,235)	\$ (335,989)	\$ 449,274	\$ (750,947)
Deficit, beginning of period (*)	\$ (1,497,719)	\$ (1,074,827)	\$ (2,255,228)	\$ (383,841)
Net income (loss) for the period	(308,235)	(335,989)	449,274	(750,947)
Reorganization costs	-	-	-	(276,028)
DEFICIT, end of period	\$ (1,805,954)	\$ (1,410,816)	\$ (1,805,954)	\$ (1,410,816)
Income/loss per share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.01
Weighted average number of shares	94,381,831	87,089,648	94,381,831	87,089,648

(*) Refer to the December 31, 2004 audited consolidated financial statements for details.

SIMBERI GOLD CORPORATION

Consolidated Statements of Cash Flows

	Three months ended September 30, (Unaudited)		Nine months ended September 30, (Unaudited)	
	2005	2004	2005	2004
Cash provided by (used in)				
OPERATING ACTIVITIES				
Net income (loss) for the period	\$ (308,235)	\$ (335,989)	\$ 449,274	\$ (750,947)
Amortization	155	-	155	-
Stock-based compensation (Note 4(a))	225,219	34,725	457,840	34,725
Changes in non-cash working capital items	(58,085)	12,468	2,380,150	(268,764)
	(140,946)	(288,796)	3,287,419	(984,986)
INVESTING ACTIVITIES				
Purchase of computer equipment	(1,381)	-	(1,381)	-
Mining interests	(71,189)	(167,050)	(161,687)	(732,038)
	(72,570)	(167,050)	(163,068)	(732,038)
FINANCING ACTIVITIES				
Cash held in escrow	-	-	-	3,203,865
Prepaid finance costs	-	(389,053)	-	(376,309)
Reorganization costs	-	-	-	(33,315)
Cash acquired from Novaking Pty Ltd. acquisition	-	-	-	102,823
Advance to Novaking Pty Ltd.	-	-	-	(106,609)
Due to PGM Ventures Corporation	-	(15,000)	-	(701,070)
Cost of issue - cash outlay	-	-	-	(87,130)
	-	(404,053)	-	2,002,255
Change in cash and cash equivalents	(213,516)	(859,899)	3,124,351	285,231
Cash and cash equivalents, beginning of period	3,604,933	1,677,364	267,066	532,234
Cash and cash equivalents, end of period	\$ 3,391,417	\$ 817,465	\$ 3,391,417	\$ 817,465

SIMBERI GOLD CORPORATION

Notes to Consolidated Financial Statements Three and Nine Months Ended September 30, 2005 (Unaudited)

1. NATURE OF BUSINESS AND ACCOUNTING POLICIES

Simberi Gold Corporation (the "Company" or "Simberi") was incorporated on October 28, 2003 under the Ontario Business Corporations Act. Simberi is a junior resource Company focused on the exploration and acquisition of developed low cost precious and base metal projects internationally. The Company's objective is to aggressively explore the potential for investing in a number of precious and base metal properties with the potential to become a metal producer. The Company has an interest in or is in the process of acquiring, disposing, exploring and developing mineral properties in Papua New Guinea, Mongolia and the Republic of Congo.

The unaudited consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for interim financial information. Accordingly, they do not include all of the information and notes to the consolidated financial statements required by Canadian generally accepted accounting principles for annual consolidated financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and nine month periods ended September 30, 2005 may not be necessarily indicative of the results that may be expected for the year ending December 31, 2005.

The balance sheet at December 31, 2004 has been derived from the audited consolidated financial statements of the Company at that date but does not include all of the information and footnotes required by Canadian generally accepted accounting principles for complete consolidated financial statements. The interim consolidated financial statements have been prepared by management in accordance with the accounting policies described in the Company's annual consolidated financial statements for the year ended December 31, 2004, except for the amortization of computer equipment at 30% per annum (15% in the year of acquisition). For further information, refer to the consolidated financial statements and notes thereto included in the Company's annual consolidated financial statements for the year ended December 31, 2004.

2. MINING INTERESTS

As of September 30, 2005, accumulated costs with respect to the Company's interest in mineral properties owned, leased or under option, consisted of the following:

	Opening Balance January 1, 2005	Additions (Reductions)	Ending Balance September 30, 2005	Ending Balance December 31, 2004
Simberi Mining Joint Venture (1) (Note 6)	\$ 3,428,366	\$ (2,571,274)	\$ 857,092	\$ 3,428,366
Novaking properties (1)(2)(4)	72,181	26,548	98,729	72,181
Mongolia Project (3)	-	135,139	135,139	-
	<u>\$ 3,500,547</u>	<u>\$ (2,409,587)</u>	<u>\$ 1,090,960</u>	<u>\$ 3,500,547</u>

(1) Refer to Note 5 of the audited December 31, 2004 consolidated financial statements for details of the properties.

(2) The Company's wholly owned Australian subsidiary Renaissance Corporation PTY LTD ("Renaissance") has completed a joint venture arrangement with Korab Resources Limited ("Korab") on its Novaking properties (re: Mt Elephant gold prospect in Western Australia). Korab can earn a 70% interest in the Mt Elephant properties by expending a minimum of \$40,000 Australian in the next 12 months and a total of \$500,000 Australian in exploration over a three year period. Korab will be the Manager of the Joint Venture and undertake and manage the exploration programs in cooperation with Simberi's subsidiary Renaissance.

(3) As of September 30, 2005, Simberi has made a decision to suspend, until further notice, investigations on the Olon Ovoot gold project. The Company requires additional evaluation and discussion regarding the project that need to be clarified and assessed before Simberi can proceed with a formal agreement with Mongal Gazar Resources Limited.

SIMBERI GOLD CORPORATION

Notes to Consolidated Financial Statements

Three and Nine Months Ended September 30, 2005

(Unaudited)

2. MINING INTERESTS (Continued)

(4) Simberi has completed an agreement between Renaissance and Domo Pty Ltd. ("Domo") of Australia. Domo can earn an initial 25% interest in Simberi's Zanthus lignite deposit with the option to acquire the remaining 75%.

In addition to an initial A\$125,000 expenditure and other financial requirements, Domo must incur a minimum of A\$2.5 million dollars in exploration expenditures over a 4 year period in order to acquire 100% of the Zanthus project. Simberi will retain a 1% royalty on the project.

3. SHARE CAPITAL

	Shares	Amount
Balance, December 31, 2004 (audited) and September 30, 2005 (unaudited)	94,381,831	\$ 5,961,052

4. STOCK OPTIONS, WARRANTS AND CONTRIBUTED SURPLUS

(a) Stock Options

The following table summarizes the stock option activity for the period:

	Number of Options	Weighted Average Exercise Price (\$)
Balance, December 31, 2004 (audited)	10,000,000	0.15
Granted (1)	5,250,000	0.10
Balance, September 30, 2005 (unaudited)	15,250,000	0.13

(1) Simberi has granted to its directors and officers, options to acquire an aggregate 5,250,000 common shares of the Company. The options are excisable at \$0.10 for a period of 5 years from the date of grant. The Black-Scholes option pricing model was used to value these options. The following assumptions were used to value the options: expected dividend yield - 0%; expected volatility - 89%; risk-free interest rate - 3.5%; and an expected average life of 5 years. These options were valued at \$367,500 and will be expensed in the statement of operations and deficit over the service period or as the options vest, depending on the terms of the option issue. As of September 30, 2005, stock-based compensation amounting to \$147,679 has been charged to the statement of operations and deficit with a corresponding credit to contributed surplus in the same amount. Stock-based compensation of \$310,161 was also charged to the statement of operations and deficit with a corresponding credit to contributed surplus in the same amount resulting from a fiscal 2004 stock option issue.

SIMBERI GOLD CORPORATION

Notes to Consolidated Financial Statements Three and Nine Months Ended September 30, 2005 (Unaudited)

4. STOCK OPTIONS, WARRANTS AND CONTRIBUTED SURPLUS (Continued)

(a) Stock Options (Continued)

As at September 30, 2005, the Company had the following stock options outstanding:

BLACK-SCHOLES VALUE (\$)	NUMBER OF EXERCISABLE OPTIONS	NUMBER OF OPTIONS	EXERCISE PRICE (\$)	EXPIRY DATE
9,162	3,055,000	3,055,000	0.15	June 30, 2008
615,741	6,945,000	6,945,000	0.15	May 13, 2009
147,679	875,000	5,250,000	0.10	August 24, 2010
772,582	10,875,000	15,250,000		

(b) Warrants

As at September 30, 2005, the Company had the following warrants outstanding:

	NUMBER OF WARRANTS	EXERCISE PRICE (\$)	EXPIRY DATE
	20,000,000	0.40	December 8, 2005
	2,000,000	0.25	December 8, 2005

(c) Contributed Surplus

Included in contributed surplus are the following items:

	VALUE (\$)
Stock options	772,582

SIMBERI GOLD CORPORATION

Notes to Consolidated Financial Statements Three and Nine Months Ended September 30, 2005 (Unaudited)

5. RELATED PARTY TRANSACTIONS

Director fees aggregating \$9,000 (2004 - \$nil) were paid during the period. Also, a bonus aggregating \$80,000 (2004 - \$nil) was paid to two former directors (Each director received \$40,000) of the Company. These transactions were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Consulting fees totaling \$72,500 (2004 - \$315,490) were paid to officers of the Company. These officers were also reimbursed for out-of-pocket expenses. These transactions were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Balances to/from related parties at September 30 are summarized as follows:

	Nine months ended September 30, (Unaudited)	Year Ended December 31, (audited)
	2005	2004
Due from PGM Ventures Corporation	\$ 393,800	\$ 393,800
Due from director of Novaking Pty Ltd.	<u>73,082</u>	<u>35,057</u>
Due from related parties	<u>\$ 466,882</u>	<u>\$ 428,857</u>
Net liabilities assumed from related party	<u>\$ 29,880</u>	<u>\$ 29,880</u>
Due to related parties	<u>\$ 29,880</u>	<u>\$ 29,880</u>

6. SALE OF PROPERTY

The Company sold 75% of its 50% interest, (37.5% while maintaining a 12.5% free carried interest), in Simberi Mining Joint Venture ("SMJV") and its 1% interest in the Tabar Exploration Joint Venture ("TEJV") located on Simberi Island, Tabar Island and Tatau Island, Papua New Guinea to Allied Gold Limited ("Allied"). As consideration for the sale the Company received \$4,000,000 cash.

The 12.5% free carried direct equity interest will be sold to Allied on the earlier of the 15 days after Allied gives a conversion notice to the Company because Allied has decided to mine the SMJV tenements; and December 31, 2009. Allied will pay for the 12.5% interest by issuing fully paid shares of itself to the Company after it is quoted on the Australian Stock Exchange. The number of shares will be calculated by dividing the value of the 12.5% interest (which is the Net Present Value from the bankable feasibility of Simberi Oxide Project agreed to by the parties or an independent valuation) by the greater of :

- (i) \$0.50 (50 Australian cents) per share;
- (ii) the average weighted trading price of the shares over the 28 days trading days prior to the Conversion Date; and
- (iii) the last price at which Allied raised working capital by the issue of shares.

SIMBERI GOLD CORPORATION

Notes to Consolidated Financial Statements

Three and Nine Months Ended September 30, 2005

(Unaudited)

7. INCOME TAXES

The estimated taxable income for the period is \$nil. Based upon the level of historical taxable income, it cannot be reasonably determined if the Company will realize the benefits from future income tax assets or the amounts owing from future income tax liabilities. Consequently, the future recovery or loss arising from differences in tax values and accounting values have been reduced by an equivalent estimated taxable temporary difference valuation allowance. This estimated taxable temporary difference valuation allowance will be adjusted in the period that it can be determined that it is more likely than not that some or all of the future tax assets or future tax liabilities will be realized.

8. OTHER INFORMATION

Simberi and PGM Ventures Corporation ("PGM") have completed, pursuant to a share purchase agreement dated August 12, 2005 (the "Share Purchase Agreement"), the sale to Michael Newbury (the "Purchaser") of 10,000,000 common shares (the "Purchased Shares") in the capital of Simberi representing 10.6% of the issued and outstanding common shares of Simberi. The Purchaser acquired the common shares at a price of \$0.04 per Purchased Share or an aggregate purchase price of \$400,000. The Purchaser acquired the Purchased Shares on behalf of himself and four other persons.

Under the Share Purchase Agreement, PGM has also agreed to sell to Porphyry Inc., a private Ontario corporation controlled by the Purchaser, and Porphyry has agreed to purchase from PGM, an additional 30,000,000 common shares (the "Additional Shares") of Simberi at a price, in the case of 12,000,000 of the Additional Shares, of \$0.045 per share or an aggregate purchase price of \$540,000 and, in the case of the other 18,000,000 Additional Shares, of \$0.049 per share or an aggregate purchase price of \$882,000. Porphyry will acquire the Additional Shares as such shares are released from escrow with all of the Additional Shares expected to be released from escrow by April 14, 2007. The Additional Shares represent 31.8% of the issued and outstanding common shares of Simberi. Until the sale of all of the Additional Shares is completed, PGM has agreed to exercise all voting rights attaching to the Additional Shares in accordance with the written direction of Porphyry.

After the sale of the Purchased Shares, PGM owns or controls an aggregate of 30,000,000 common shares of Simberi representing 31.8% of the outstanding common shares of Simberi. Upon completion of the sale of the Additional Shares, PGM will no longer own any shares of Simberi.

9. SUBSEQUENT EVENTS

(a) As of October 21, 2005, Simberi has completed an agreement with Allied to sell its remaining interest (12.5%) in the Simberi Island gold project. Simberi has received for its interest: (i) 2 million common shares of Allied; (ii) 2 million options exercisable at \$0.25 on or before December 31, 2006; (iii) 2 million options exercisable at \$0.50 on or before December 31, 2008; and (iv) \$200,000 cash in Canadian currency.

(b) As of October 24, 2005, Simberi has entered into a Letter of Intent with Firebird Global Master Fund Ltd. and Kershner, Grosso & Co. to acquire their combined interest in common shares in the New Congo Resources Development Company Inc. ("New Congo"), a corporation that has natural resource projects in the Democratic Republic of Congo ("DRC").

Subject to due diligence, Simberi will purchase 400,000 common shares of New Congo representing 66.7% equity ownership (on a fully diluted basis) of the company for C\$100,000 cash and an assumption of US\$900,000 in exploration/development obligations. The balance is held by Quartern Holdings Ltd.

New Congo currently holds a 51% interest in the Kakanda North and the Kakanda South copper and cobalt projects located in the DRC. Gecamines, the national mineral company of the DRC, holds the remaining 49% interest. New Congo is discussing the potential to increase its ownership to 80%.

Simberi is also negotiating to purchase the remaining 33.3% of New Congo.

SIMBERI GOLD CORPORATION

Notes to Consolidated Financial Statements

Three and Nine Months Ended September 30, 2005

(Unaudited)

9. SUBSEQUENT EVENTS (Continued)

(c) On November 16, 2005, Simberi announced it intends to raise \$2.5 million through a private placement. Simberi intends to issue up to 25 million units at a price of \$0.10 per unit. Each unit will consist of one common share and one common share purchase warrant. Each warrant will entitle the holder thereof to acquire one additional common share at an exercise price of \$0.20 for a period of two years following the closing date.

The private placement is expected to close on or before December 9, 2005. The closing of the private placement is subject to, amongst other things, approval of the TSX Venture Exchange and completion of definitive documentation. All securities issued pursuant to the private placement will be subject to a four month hold period following the closing date.

SIMBERI GOLD CORPORATION

Supplement I to Consolidated Financial Statements
Three and Nine Months Ended September 30, 2005
(Unaudited)

As at November 4, 2005, the following securities were outstanding:

Share Capital

94,381,831 common shares

Warrants and stock options

See Note 4