

SIMBERI MINING CORPORATION
(Formerly Simberi Gold Corporation)
(A Development Stage Company)

MANAGEMENT DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS
THIRD QUARTER ENDED SEPTEMBER 30, 2006

Following is a discussion and analysis of the activities, results of operations and financial condition of Simberi Mining Corporation ("Simberi" or the "Corporation") for the three and nine months ended September 30, 2006 compared to the same period ended September 30, 2005. The discussion should be read in conjunction with the audited consolidated financial statements of the Corporation for the year ended December 31, 2005 and the notes thereto. The Corporation's financial statements and financial data set out below have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). Unless otherwise denoted, all amounts discussed herein are denominated in Canadian dollars.

Additional information relating to the Corporation is also available on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com under the name Simberi Mining Corporation.

1.1 The effective date of this report is November 29, 2006.

1.2 Overall Performance
The Company

On July 28, 2006, the Corporation filed Articles of Amendment with the Ministry of Consumer and Ontario Business Services to effect the name change of the Corporation to Simberi Mining Corporation.

Simberi is a Canadian mineral resource Corporation involved in exploration and development, focused on the acquisition, exploration and development of properties for the mining of precious and base metals internationally. The Corporation has current interests in properties in Western Australia and the Democratic Republic of Congo ("DRC").

Historical Background of Current Mineral Properties and Corporate Structure

On March 22, 2004, Simberi was formed as a result of an amalgamation of Alive International Inc. ("Alive"), 2034879 Ontario Limited ("203") and PNG Pacific Resources Inc. ("PPR"). Alive, at the time had two wholly owned inactive subsidiaries Alive International Holdings Inc. ("Alive Hold") and Optima Pharmaceuticals Inc. ("Optima"). 203 was incorporated October 28, 2003 and was a wholly-owned subsidiary of PGM Ventures Corporation ("PGM") and held two PGM's joint venture interests (the *SIGJV* and the *TEJV* described below) situated in Papua New Guinea. PPR was a wholly-owned subsidiary of Alive that was used solely to effect the amalgamation under the RTO Transaction. On March 22, 2004, Alive, 203 and PPR amalgamated and continued as one corporation PNG Pacific Resources Inc. ("PNG"). PNG subsequently changed its name to Simberi Gold Corporation. Full particulars of the transaction is available on SEDAR, filing date of February 19, 2004.

In accordance with RTO accounting, the consolidated balance sheet is a continuation of 203 in that the capital structure reflects that of the former Alive and the stated value of the share capital is that of 203

The Corporation acquired from PGM Ventures Inc. interests in two joint ventures situated in Papua New Guinea. Papua New Guinea is comprised of three islands; Simberi, Tabar and Tatau. One joint venture, referred to as the Simberi Island Gold Joint Venture ('SIGJV'), deals with a mining resource located on the island of Simberi, of which, as of December 30, 2004, the Company's held a 50% interest in the joint venture.

In 2004 Nord Pacific went bankrupt and its interest in the Simberi joint venture were assumed by Allied Gold Limited ("Allied"). Nord Pacific was a wholly owned subsidiary of Allied.

On March 22, 2004, Simberi acquired all of the shares of Novaking Pty Ltd. ("Novaking") in exchange for the issuance of 16,000,000 common shares of the Corporation with an agreed upon value of \$22,070. Novaking is an Australian mining and exploration company and has one wholly owned Australian subsidiary, Renaissance Corporation Pty Ltd. ("Renaissance"). Renaissance has three mineral projects situated in Western Australia; - Mt. Elephant, Zanthus and Tarrawarra.

On February 5, 2005 the Corporation completed the partial sale of the two joint ventures to Allied. It sold 75% of its 50% interest, (37.5% while maintaining a 12.5% free carried interest), in the SIGJV and its 1% interest in the TEJV, located on Simberi Island, Tabar Island and Tatau Island, Papua New Guinea. As consideration for the sale the Company received \$4,000,000 cash plus a 12.5% to 14% interest in the Young Shannon Mine ("YSM") situated in Chester Township, Ontario. The interest in YSM was owned by Nord Pacific Limited which is a wholly owned subsidiary of Allied. Nord Pacific's records were incomplete and Allied was unable to transfer its rights to Simberi which, at the time of the transfer, Allied estimated they represented approximately 12.5% to 14% interest in the project. The Agreement of Purchase and Sale and the Corporation's financial statements did not ascribe any value to the Young Shannon Mine. The net gain on the sale transaction was \$1,265,145.

On April 5, 2005 the Corporation completed, through Renaissance, its wholly owned Australian subsidiary, a joint venture agreement with Korab Resources Limited ("Korab") on its Mt Elephant gold prospect in Western Australia. Korab can earn a 70% interest in the Mt Elephant properties by spending a minimum A\$40,000 in the next 12 months and a total A\$500,000 in exploration over three years

During the three months period ended September 30, 2005, the Corporation completed, through Renaissance, a joint venture agreement with Domo Pty Ltd ("Domo"), pertaining to its Zanthus property. Domo has the opportunity to earn an initial 25% interest in the Zanthus property, with the option to acquire the remaining 75%. To acquire a 100% interest, Domo must incur an initial A\$125,000 in expenditures and other financial requirements and A\$2.5 million in exploration expenditures over a 4 year period. Simberi will retain a 1% royalty on the project. As at September 30, 2006 Domo had engaged an independent Australian consultant to prepare a technical JORC report, which is the equivalent to the Canadian 43-101 report. The report is expected to be finalized in the fourth quarter of 2006. As of September 30, 2006 Domo had not earned its 25% interest in project but it expects that it shall be earned in the fourth quarter of 2006.

On October 21, 2005, the Corporation sold its remaining 12.5% interest in the SIGJV. In consideration Simberi received: (i) 2 million common shares of Allied valued at AUD \$620,000 (CAD \$574,274); (ii) 2 million options exercisable at A\$0.25 on or before December 31, 2006; (ii) 2 million options exercisable at A\$0.50 on or before December 31, 2008; and (iv) \$200,000 cash in Canadian currency. No value was assigned to the options as values could not be reasonably determined. The loss on the October 21, 2005 transaction was \$109,817. The total combined gain of the sale of the two joint ventures of February 5, 2005 and October 21, 2005 was CAD \$1,155,328.

Effective December 21, 2005, the Corporation acquired from Firebird Global Master Fund Ltd. and Kershner, Grosso & Co. their combined interest in common shares in the New Congo Resources Development Company Inc. ("New Congo"), a Canadian corporation that has natural resource projects in the Democratic Republic of Congo ("DRC"). The Company purchased 400,000 common shares of New Congo, representing 66.67% equity ownership of the company for \$100,000 cash and an assumption of US\$900,000 in exploration/development expenditures on the Congo projects. The balance of the New Congo common shares are held by Quartern Holdings Ltd. ("Quartern").

New Congo, through its wholly owned subsidiary – PTM Minerals (Cayman) Ltd. (“PTM”) in the DRC, has a joint venture agreement with Gecamines, the state owned copper mining company in the DRC, with respect to the Kakanda project. PTM will receive 92.5% of the revenues from the Kakanda project until its capital costs are recovered. PTM and Gecamines each have the right to participate in the joint venture on a 51% and 49% basis, respectively.

As at December 31, 2005 Simberi had three wholly owned subsidiaries; Novaking, Alive Hold and Optima with the latter two being inactive companies and Renaissance as a wholly owned subsidiary of Novaking. The Company also held a 66.67 % interest in New Congo and PTM as a wholly owned subsidiary of New Congo. Simberi through its ownership of Renaissance and holds a 100% interest in the Mt. Elephant, Zanthus and Tarrawarra properties situated in Western Australia. The Corporation through PTM, has a 51% joint venture interest in the Kakanda project in the DRC, whereby PTM will receive 92.5% of the revenues from the Kakanda project until its capital costs are recovered

Background – Period January 1, 2006 to current

In the first quarter of 2006 the Corporation sold 1 million of its 2 million shares of Allied that it had received on the sale of its 12.5% interest in the SIGJV. It recorded a gain of \$112,045 on the sale of the 1 million Allied shares.

On May 18, 2006 the Corporation acquired from Quartern the remaining 33.3% of the outstanding shares of New Congo in exchange for the following:

- a) payment by Simberi to Quartern of \$100,000 in cash; and
- b) the issuance by Simberi to Quartern of eight million common shares at a price per share of \$.25 for consideration of \$2,000,000.

The aggregate purchase price of the remaining 33 1/3rd interest in New Congo was \$2,100,000 which created a purchase price discrepancy of \$2,050,174 which was charged against the cost of the New Congo properties.

In addition, Quartern has agreed to enter into a consulting agreement with Simberi and New Congo pursuant to which Quartern will be, amongst other things, providing in country office and other local support as well as being responsible for assisting the continuing development of the Kakanda Project. Pursuant to the terms of the consulting agreement, Quartern will be entitled to receive an additional 3.9 million common shares of Simberi upon successfully increasing PTM Minerals' interest in the Kakanda Project from 51% to 75% or more.

In the second quarter of 2006, the Company exercised the 2 million Allied options at A\$.25 plus the additional 2 million Allied options at A\$.50 and subsequently sold the 4,000,000 optioned Allied shares together with its remaining 1 million shares it held of Allied to realize a gain of \$654,707. The combined gain on the sale of the 2 million Allied shares and the 4 million optioned Allied shares in the two quarters of 2006 totalled \$766,752.

As at September 30, 2006 the Simberi had four wholly owned subsidiaries; Novaking, New Congo, Alive Hold and Optima with the latter two being inactive companies. Renaissance is a wholly owned subsidiary of Novaking and PTM is a wholly owned subsidiary of New Congo. Simberi through its ownership of Renaissance, holds its interests in the Mt. Elephant, Zanthus and Tarrawarra properties situated in Western Australia. The Company through PTM, has a 51% joint venture interest in the Kakanda project in the DRC.

Mineral Properties

A historical overview of the Company's exploration properties together with current exploration activities and planned future objectives for each property are explained in section 5.3.

1.3 Selected Financial Information

	Three Months Ended		Nine Months Ended	
	Sept 30, 2006	Sept 30, 2005	Sept 30, 2006	Sept 30, 2005
Statement of Operations: (unaudited)				
Revenue	\$ 26,656	\$ 12,430	\$ 904,508	\$1,290,594
Net income (loss) for the period	(601,110)	(308,235)	(761,189)	449,274
Basic and diluted loss per share	(0.01)	(0.00)	(0.01)	0.00
Cash flows from operating activities	(351,355)	(140,946)	(1,302,187)	3,292,419
Cash flows from investing activities	(572,258)	(72,570)	(982,829)	(163,068)
Cash flows from financing activities	274,173	---	516,805	---
(Decrease) in cash in period	(649,440)	(213,516)	(1,768,211)	3,129,351

Financial Information Continued

	September 30, 2006 (unaudited)	December 31, 2005 (audited)
Total Assets	\$8,904,869	\$7,212,514
Total long term financial liabilities	0	0
Cash dividends declared for all classes of shares	0	0

Interim Financial Condition

	September 30, 2006 (unaudited)	December 31, 2005 (audited)
Assets		
Current Assets:		
Cash and cash equivalents	\$3,658,146	\$5,426,357
Sundry receivable	6,332	23,012
Prepaid expenses	43,754	18,264
Due from related party	163,162	448,057
Loan receivable	55,885	58,295
Investment	---	547,274
	3,927,279	6,521,259
Equipment, net of accumulated amortization	5,950	3,981
Mining interests	4,971,640	687,274
	\$8,904,869	\$ 7,212,514

Liabilities and Shareholders' Equity

Current Liabilities:		
Accounts payable and accrued liabilities	\$ 197,694	\$ 358,593
Due to related parties	---	29,880
	197,694	388,473
Non controlling interest	----	49,826
	197,694	438,299
Shareholders' Equity		
Share Capital	8,576,046	6,274,715
Warrants	2,002,000	2,002,000
Contributed Surplus	1,052,811	740,396
Deficit	(2,923,682)	(2,242,896)
	8,707,175	6,774,215
	\$ 8,904,869	\$ 7,212,514

1.4 Results of Operations

Revenue

On February 27, 2006 The Company recorded a gain of \$112,045 on the sale of 1 million shares of Allied that it had received on the sale of its 12.5% interest in the SIGJV. In the second quarter of 2006, the Company exercised 2 million Allied options at A\$.25 plus additional 2 million options at A\$.50 and subsequently sold all of the shares it held of Allied to realize a gain of \$654,707. The combined gain on the sale of the 6 million Allied shares in the two quarters of 2006 totalled \$766,752. Other revenue consisted of interest income of \$26,656 and \$107,876 for the three and nine months ended September 30, 2006, respectively. (2005 - \$12,430 and \$25,449)

Analysis of Expenses

ITEM	Three Months Ended Sept 30, 2006	% of Total Expenses	Three Months Ended Sept 30, 2005	% Change
Amortization	550	-	155	-
General & Administrative	223,022	34	19,365	1007
Accounting and Corporate services	6,435	1	4,430	45
Filing Fees	350	-	966	-
Foreign Exchange	(44,971)	(7)	12,795	-475
Professional, Consulting & Mgt fee	108,100	16	47,192	129
Legal & Audit	8,086	1	1,488	434
Investor Relations	8,707	1	9,055	(4)
Stock Option Compensation	197,367	31	225,219	(12)
Due Diligence costs	150,000	23	---	---
Total	\$ 657,646	100	\$ 320,665	104

ITEM	Nine Months Ended Sept 30, 2006	% of Total Expenses	Nine Months Ended Sept 30, 2005	% Change
Amortization	1,041	-	155	N/A
General & Administrative	447,624	28	72,711	522
Accounting and Corporate services	25,501	2	18,198	44
Filing Fees	8,859	1	9,774	-
Foreign Exchange	(5,145)	2	12,552	(141)
Professional, Consulting & Mgt fee	486,356	30	139,299	250
Legal & Audit	46,637	2	14,705	213
Investor Relations	40,176	2	27,086	48
Stock Option Compensation	384,245	24	457,840	(16)
Director Compensation	---	---	89,000	--
Due Diligence Costs	150,000	9	---	---
Total	\$ 1,585,294	100	\$ 841,320	88

The breakout of the general and administration expense for the third quarter of 2006 of \$223,022 (2005 - \$ 19,365) is detailed in section 5.3 d). The third quarter of 2006 significant items are travel of \$22,875 and advertising and promotion of \$178,690. Included in the travel amount of \$22,875 is \$20,090 paid to an independent consultant with respect to promoting the shareholder and business interests of the Company.

Included in the advertising and promotion amount of \$178,690 is \$154,887 of costs relating to a licence agreement for a sports and entertainment facility for the 2006 and 2007 sporting season.

A total of 3,350,000 stock options granted to directors, officers and consultants were issued in the first two quarters of 2006 include 1,000,000 issued to Mr. Bill Potter, a new director of the Company. In the third quarter of 2006 a total of 300,000 stock options were granted to two independent consultants. During the three months ended September 30, 2006 a total of \$197,367 was expensed with respect to that portion of the options vesting during the quarter (2005 - \$225,219) and for the nine months ended September 30, 2006 the expense totaled \$384,245 (2005 - \$457,840). The stock option expense is based on a Black Scholes valuation model that recognizes the expense over the term of the vesting periods. The stock option expense does not affect the cash resources of the Company.

Included in professional, consulting and management fees of \$108,100 for the third quarter of 2006 is CFO contract charges of \$9,000, \$30,000 to Porphyry (see section 1.9) and the balance of \$69,100 paid to independent consultants for shareholder reporting, compliance and regulatory functions.

The company also incurred due diligence costs of \$150,000 during the third quarter of 2006 charged by an independent consultant to conduct due diligence and evaluation of a number of potential exploration projects. This work included review of the geological aspects as well as ownership and requirements to operate in the areas. These projects were located in several different countries in South America. The company is not expected to continue with these at this time.

1.5 Quarterly Information

	QTR 3 2006	QTR 2 2006	QTR 1 2006	QTR 4 2005	QTR 3 2005	QTR 2 2005	QTR 1 2005	QTR 4 2004
Sale of Property And Investments (Net of Costs)	\$0	\$654,707	\$112,045	\$0	\$0	\$1,602	\$1,266,747	\$0
Revenue	26,656	50,926	30,294	17,641	12,430	13,019	68,201	1,866
(Loss) earnings before discontinued and extraordinary items	(601,110)	71,386	(151,062)	(436,942)	(308,235)	(222,957)	980,466	(654,836)
Per common share basic and fully diluted	(0.01)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	0.01	(0.01)
Net (Loss) earnings	(601,110)	71,386	(151,062)	(436,942)	(308,235)	(222,957)	980,466	(654,836)
Per common share and fully diluted	(0.01)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	0.01	(0.01)
Assets	8,904,869	9,246,938	7,116,550	7,212,514	4,968,118	5,121,742	5,285,691	4,217,838

1.6 Liquidity

The Corporation currently has adequate cash funds for the planned exploration and development of its properties. However, the Corporation does not have any recurring revenue streams and therefore, depending on its existing capital resources and the capital required for any future acquisitions of mineral it may have to access the equity markets to obtain any additional funding. The Company currently trades on the Canadian

TSX Venture exchange under the trading symbol SAU. On January 30, 2006 the Company also commenced trading on the Berlin-Bremin Stock Exchange based in Berlin Germany. The Company trades on the Berlin-Bremin exchange on over the counter market under the trading symbol S9X.

The Corporation's liquidity is a function of raising flow-through and non-flow-through financing, primarily through private placements and equity raises to sophisticated investors and institutions. On October 25, 2006 the Corporation raised \$2,750,000 (as described in section 1.11) for the purpose general corporate expenses and working capital for potential acquisitions.

As at September 30, 2006, Simberi reported working capital of \$3,729,585 (\$6,132,666 as at December 31, 2005), and cash & cash equivalents of \$3,658,146 (\$5,426,357 as at December 31 2005). Based on assumptions about future business development, revenues and costs, Simberi expects to have sufficient cash reserves to maintain and completed its planned operations for the next four operating quarters.

1.7 Capital Resources

Simberi currently does not have any long-term debt or credit facilities with financial institutions. At this time, the Corporation is not anticipating an operating profit from mining activities, therefore it will rely on its ability to obtain equity or debt financing for growth.

Simberi Mining Corporation Four quarter capital exploration & operation budget

	Q4 2006 \$	Q1 2007 \$	Q2 2007 \$	Q3 2007 \$	4 Quarter Total \$
Exploration budget	340,000	340,000	340,000	340,000	1,300,000
Management, Administration and office	300,000	300,00	300,000	300,000	1,200,000
Total Capital Resource Requirements	<u>640,000</u>	<u>640,000</u>	<u>640,000</u>	<u>640,000</u>	<u>2,500,000</u>

* Administration & office expenses exclude amortization and stock option compensation as these are non cash items. Also a provision for foreign exchange is not included due to the unpredictability of currency fluctuations.

The Corporation expects that the majority of its exploration expenses will be expended on the Kakanda property in the DRC. The joint venture partners are expected to continue their respective programs on the Australian properties for the balance for the year. The Corporation will assess future exploration programs on the Kakanda project based on the recommendations of MPH Consultants in its NI 43-101 report that was received in early October and is under review by management.

At the present time, there are no major capital expenditures planned, other than the exploration budget as indicated above. There is sufficient capital to continue for the planned exploration and development of its projects. The Company can continue operations in the current period with the Corporation's current capital resources.

1.8 Off-balance Sheet Arrangements

There were no off-balance sheet arrangements transacted during the second quarter of 2006.

1.9 Transactions with Related Parties

For the nine months ended September 30, 2006 included in management and consulting fees expense totalling \$267,000 (2005 - \$40,000) were transacted with related parties as follows: Julian Fosbery, CFO (\$12,000, 2005 \$nil), MoKar Holdings Inc (\$15,000, 2005 \$nil) owned by Maurice Stekel, a director, and Porphyry Inc (“Porphyry”) a private company owned by Mr. Newbury a director and officer of the Company \$240,000 (2005 \$40,000).

For the three months ended September 30, 2006 included in management and consulting fees expense totalling \$39,000 (2005 - \$10,000) were transacted with related parties as follows: Julian Fosbery, CFO (\$9,000, 2005 \$nil), MoKar Holdings Inc (\$nil, 2005 \$nil) owned by Maurice Stekel, a director, and Porphyry Inc a private company owned by Mr. Newbury a director and officer of the Company (\$30,000, 2005 \$10,000).

For the nine months ended September 30, 2006 director fees totalling \$nil (2005 - \$8,500 were paid to Messrs. Gleeson and Cerenzia were included in directors’ compensation).

For the nine months ended September 30, 2006 management fees totalling \$nil (2005 - \$30,000 to Porphyry and \$60,000 to Norman Brewster to total \$90,000 and were capitalized in mining interests). Management fees totalling \$nil (2005 - \$9,243 were paid to a Mr. Chris Rindler, a director of Novaking Pty Ltd. and were included in management fees).

In the third quarter of 2006 the Company agreed to a three year licence agreement in connection with a sports and entertainment facility. Iberian Minerals Corp (“Iberian”) and Porphyry , who are two related parties, agreed to participate of the first year’s cost of the facility and their respective share of the cost is \$64,981 each which were owing to the Company as at September 30, 2006 and were paid subsequent to the quarter. Iberian is related to the Company by virtue of Mr Newbury is a director of Iberian. In the third quarter of 2006 Iberian repaid the Company \$393,800 that it owed at December 31, 2005.

Balances to/from related parties are summarized as follows:

	September 30, 2006	December 31, 2005
Due from Iberian Minerals Corp	\$ 64,981	\$ 393,800
Due from Porphyry Inc	64,981	---
Due from Mr. Chris Rindler, (2) .	33,200	54,257
Due from related parties	\$ 163,162	\$ 448,057
Net liabilities assumed form related party (1)	\$ ---	\$ 29,880
Due to related parties	\$ ---	\$ 29,880

- (1) In 1999 Alive guaranteed \$29,880 of payables and obligations of Optima (see section 1.2 regarding Alive and Optima). Optima has been inactive since 1999 and the payables and obligations were never paid or is there likelihood of the amounts ever being paid. In the third quarter of 2006 the obligation of \$29,880 was reversed into income.
- (2) Mr. Chris Rindler is a director of Novaking (a subsidiary of Simberi). The amount represents an impress account paid to Mr. Rindler of which he pays expenses and mining cost from.

The balances due from the related parties are unsecured, non interest bearing, and have no specific terms of repayment. The Company pays funds to related parties in the course of carrying out the Company's business, in exchange for services rendered to the Company. If the Company were not paying these related parties for these services the Company would still have to pay individuals or entities in order to obtain these services and carry out the business of the Company. Transactions with related parties are in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to between the Company and the related parties.

Mine Development

No mine development work program was carried out during the most recent quarter.

1.11 Proposed Transactions

There is no imminent decision by the board of directors of the Corporation with respect to any transaction(s) other than as follows

Subsequent to the end of the Quarter on October 24, 2006 the Company undertook a private placement of \$2.75 million. The placement was 27,500,000 units at a price of \$0.10 per unit consisted of one common share and one-half common share purchase warrant. Each whole 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. All securities issued pursuant to the private placement will be subject to a four month hold period following the closing date. Following expiry of the holding period, Simberi shall have the right to call the warrants by giving 30 days notice at any time if the average closing sales price of the Company's common shares exceeds \$0.50 per share for 20 trading days within any 30 day period. The call price of the warrants is \$0.01 per whole warrant.

Simberi will pay a finder's fee in respect of the placement in an amount equal to 10% of the gross proceeds raised.

5.3 Additional Disclosure of Venture Issuers without Significant Revenue

a) Capitalized Exploration Expenditures

	Three Months Ended		Nine Months Ended	
	Sept 30 2006	Sept 30 2005	Sept 30 2006	Sept 30 2005
Novaking Property Activity:				
Acquisition costs	\$ ---	\$ ---	\$ ---	\$ ---
Other exploration expenditures	9,562	(6,921)	15,927	26,548
	<u>\$ 9,562</u>	<u>\$ (6,921)</u>	<u>\$ 15,927</u>	<u>\$ 26,548</u>

	Three Months Ended		Nine Months Ended	
	Sept 30 2006	Sept 30 2005	Sept 30 2006	Sept 30 2005
New Congo Property Activity:				
Purchase Price Discrepancy	\$ ---	\$ ---	\$ 2,050,174	\$ ---
Regulatory fees	167,655	---	421,514	---
Acquisition costs	---	---	---	---
Travel	81,431	---	172,250	---
General exploration	---	---	---	---
Consulting	55,885	---	728,463	---
General and administrative	206,775	---	796,139	---
Legal fees	25,462	---	64,687	---
Report Costs	22,929	---	35,212	---
	<u>\$ 560,137</u>	<u>---</u>	<u>\$ 4,268,439</u>	<u>---</u>
	\$ 569,699	\$ (6,921)	\$ 4,284,366	\$ 26,548

Mt. Elephant Prospect

Previous exploration has been completed on the Exploration License area held by Simberi has been successful in identifying gold and copper mineralization. The information is outlined in an Independent Geologist's Report dated May 16, 2003, and prepared in accordance with NI43-101 (the "Maynard Report"). The Maynard Report describes the Mt Elephant Prospect in detail. A copy of the Maynard Report is available on SEDAR (www.SEDAR.com).

During 2005, the Corporation completed, through its wholly owned Australian subsidiary Renaissance Corporation ("Renaissance"), a joint venture agreement with Korab Resources Limited ("Korab") on the Corporation's Mt. Elephant gold prospect in Western Australia.

Korab the in order to earn its interest is conducting exploration of the Mt. Elephant gold property consisting of surface geophysics, geochemistry and geology to identify potential drill targets. During the period Korab commenced the surface geophysics and geochemistry on the project.

Tarrawarra Prospect

There was no activity with the Tarawarra property in Western Australia the most recent quarter. The Company is seeking a joint venture partner for the property.

Zanthus Prospect

The Zanthus project is located in the Dundas Mineral Field in the south-eastern part of Western Australia and covers part of the western margin of the Eucla Basin. The Basin is comprised of flat lying marine and continental sediments of Cretaceous and Tertiary age. Sediments in the project area range from 20 to 80 metres in thickness and overly metamorphosed igneous and sedimentary rocks of the Fraser Range metamorphic complex. Within these sediments are lignite layers up to 20 metres thick that cover an area in excess 50 square kilometres through the project area.

Previous exploration has been completed on the one Exploration License area held by Simberi has been successful in identifying a deposit of lignite. The information is outlined in an Independent Geologist's Report dated May 16, 2003, and prepared in accordance with NI43-101 (the "Maynard Report"). The Maynard Report describes the Zanthus project as a potential exploration target and, under the Joint Ore Reserve Estimation Committee Code, has 400 million tonnes. However, this is not NI43-101 compliant. Further evaluation on the Zanthus project is required to become NI 43-101 compliant. A copy of the Maynard Report is available on SEDAR (www.SEDAR.com).

As at September 30, 2006 Domo had engaged an independent Australian consultant to prepare a technical JORC report, which is the equivalent to the Canadian 43-101 report. The report is expected to be finalized in the fourth quarter of 2006. As of September 30, 2006 Domo had not earned its 25% interest in project but it expects that it shall be earned in the fourth quarter of 2006.

Kakanda Prospect

The Kakanda Property is located in Katanga Province, DRC some 70 kilometres northwest of the major regional centre of Likasi, with which it is linked by a fair quality dirt road through Kambove. Likasi is in turn 120 kms by paved road from the Provincial capital, Lubumbashi. Lubumbashi has scheduled air services to Johannesburg, Nairobi, Kinshasa and other African cities. The Katanga Province has a sub-tropical climate typified by a dry season of six months (April to September) and a rainy season of six months (October to March). This zone also includes a number of other major copper/cobalt developments such as Tenke Fungurume (Tenke Mining Corp.) and the Kolwezi Tailings Project (Adastra Minerals).

The Kakanda and Kambove Copper-Cobalt deposits are hosted by sedimentary rocks of the Neo-Proterozoic Katanga System, situated within the Lufilian Arc. The Lufilian Arc and Zambesi Belt form part of a system of supracrustal Pan African belts of Neo-Proterozoic age in Africa and South America that are host to several important base metal provinces including the Central African Copperbelt which includes the Congolese (Katanga) and Zambian Copperbelts. The Lufilian Arc which contains both the Katanga and Zambian Copperbelts is one of the great metallogenic provinces of the world and contains some of the world's richest deposits of copper and cobalt.

The previous operator of the Kakanda Project, International Panorama Resource Corp., engaged Bateman Minerals & Industrial Limited ("Bateman") in conjunction with Steffen Robertson Kirsten (SRK) and other experts to complete a feasibility study for the Kakanda Project in 1997. The study was completed in October 1997 and concluded that the Kakanda Project was technically feasible and economically viable based on the costs and metal prices prevalent at that time. The historical resource estimate for the study was completed by SRK. SRK estimated the defined tailings resource at 18.4 million tonnes containing 1.22% copper and 0.15% cobalt. The study also delineated a mineable open pit resource of 11.3 million tonnes containing 3.14% copper and 0.19% cobalt. Both of these resources were incorporated in Bateman's operating plan.

The feasibility study and related resource estimate described above is based on historical data and reports and as such the classification of the mineral resource estimates for the study was completed prior to National Instrument 43-101 ("NI 43-101"). Therefore, the resource estimates cannot be treated as 43-101 compliant until verified by a Qualified Person. While the historical estimates were not 43-101 compliant the management of Simberi, however, believes that Bateman and SRK are technically competent and has comfort in the reliability of this study

Simberi has engaged MPH Consulting Limited (“MPH”), to complete a current technical report in compliance with National Instrument 43-101 (“NI 43-101”) on its Kakanda copper-cobalt project located in Kakanda and Kambove in the DRC. MPH will be also reviewing and updating the previous Feasibility Study completed by Bateman Minerals & Industrial Limited (“Bateman”) in 1997. Subsequently in October 2006, MPH delivered its National Instrument 43-101 compliant report on the Kakanda property to the Company. The report can be viewed in detail on SEDAR (www.SEDAR.com)

d) General and Administrative Expenses

	Nine Months September 30, 2006	Nine Months September 30, 2005
General	\$22,026	\$9,962
Bank charges & interest	4,075	639
Advertising and promotion	213,465	15,629
Travel	151,445	12,770
Rent	31,067	3,000
Administration services	2,571	20,477
Insurance	8,456	0
Postage & courier	3,466	1,162
Telephone	1,741	2,321
Taxes	4,316	0
Transfer agent fees	4,997	6,749
	<u>\$447,624</u>	<u>\$72,711</u>
	Three Months September 30, 2006	Three Months September 30, 2005
General	\$4,530	\$2,005
Bank charges & interest	1,097	160
Advertising and promotion	178,690	9,802
Travel	22,875	0
Rent	10,313	3,000
Administration services	417	2,091
Insurance	2,757	0
Postage & courier	865	27
Telephone	513	663
Transfer agent fees	965	1,617
	<u>\$223,022</u>	<u>\$19,365</u>

5.4 Disclosure of Outstanding Share Data

As at September 30, 2006 the outstanding common shares, options and share purchase warrants are as follows:

Common shares outstanding	<u>129,911,831</u>
Share purchase warrants	
Expiring December 30, 2007, exercisable at \$0.20 per share	<u>26,000,000</u>
Options	
Expiring June 30, 2008, exercisable at \$0.15 per share	1,475,000
Expiring May 13, 2009, exercisable at \$0.15 per share	4,210,000
Expiring August 24, 2010, exercisable at \$0.10 per share	5,250,000
Expiring November 23, 2010, exercisable at \$0.10 per share	250,000
Expiring January 30, 2011 exercisable at \$0.24 per share	1,000,000
Expiring March 30, 2011, exercisable at \$0.185 per share	2,000,000
Expiring April 11, 2011, exercisable at \$0.24 per share	50,000
Expiring July 14, 2011, exercisable at \$0.115 per share	250,000
Expiring August 17, 2011, exercisable at \$0.12 per share	50,000
Expiring October 10, 2011, exercisable at \$0.12 per share *	2,150,000
Expiring October 10, 2008, exercisable at \$0.12 per share *	<u>200,000</u>
	<u>16,885,000</u>
Fully diluted shares outstanding	<u>172,798,981</u>

**issued subsequent to the 3rd quarter of 2006*

The following is for disclosure of information relating to the outstanding securities of the Corporation as at September 30, 2006.

- a) Share capital - refer to the September 30, 2006, note 4 financial statements
- b) Stock options - refer to the September 30, 2006, note 5 financial statements

RISKS AND UNCERTAINTIES

The business of Simberi is subject to a number of risks and uncertainties commensurate with its status as a junior exploration company. In addition to considering the information disclosed in the financial statements and in the other publicly filed documentation regarding the Company available at www.sedar.com, the reader should carefully consider the following information. Any of these risk elements could have material adverse affects on the business of the Company.

Permitting Requirements

The Company is required to obtain certain permits for the construction and operation of the Kakanda project. There is, however, no guarantee as to when or that permits, licenses or consents required by the Company for its business will be granted or renewed as applicable.

Commodity Price Volatility

The price of various commodities which the Company intends to exploit and subsequently market can fluctuate drastically, and is beyond the Company's control. The Company is specifically concerned with the price of Copper and Cobalt. While the Company would benefit from an increase in the value of these metals,

the Company could be adversely affected by a decrease in the value of these metals. Were the prices of these metals to descend below the prices used for the determination of the positive study authored by MPH the economic viability of the project could be affected. The details of the pricing can be found in the MPH study which is available within the Company's filings at www.sedar.com.

Title to Mineral Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed or impugned. Although the Company has investigated its title to the mineral properties for which it holds concessions or mineral leases or licenses, there can be no assurance that the Company has valid title to such mineral properties or that its title thereto will not be challenged or impugned. For example, mineral properties sometimes contain claims or transfer histories that examiners cannot verify; and transfers under foreign law often are complex. The Company does not carry title insurance with respect to its mineral properties. A successful claim that the Company does not have title to a mineral property could cause the Company to lose its rights to mine that property, perhaps without compensation for its prior expenditures relating to the property.

Mineral Exploration and Exploitation

Mineral exploration and exploitation involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities. The Company has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise. Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of some properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining, or to upgrade existing infrastructure. There can be no assurance that the funds required to exploit any mineral reserves and resources discovered by the Company will be obtained on a timely basis or at all. The economics of exploiting mineral reserves and resources discovered by the Company are affected by many factors, many outside the control of the Company, including the cost of operations, variations in the grade of ore mined and metals recovered, price fluctuations in the metal markets, costs of processing equipment, and other factors such as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. There can be no assurance that the Company's mineral exploration and exploitation activities will be successful.

Country Risk

Political and Economic Instability

The Company's mineral exploration and exploitation activities may be adversely affected by political instability and legal and economic uncertainty in the countries where the Company has operations. The risks associated with the Company's foreign operations may include political unrest, labour disputes, invalidation of governmental orders and permits, corruption, war, civil disturbances and terrorist actions, arbitrary changes in laws, regulations and policies, taxation, price controls, exchange controls, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on mineral exports and increased financing costs. These risks may limit or disrupt the Company's projects or operations, restrict the movement of funds or result in the deprivation of contractual rights. The Company presently holds assets in the DRC, which it considers to be a medium risk with reference to the above stipulated potential risks, and while it does not foresee country risk as being problematic, the country risk is out of the control of the Company.

Uninsurable Risks

Mineral exploration and exploitation activities involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences and political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could negatively affect the Company's profitability and financial

position and the value of the common shares of the Company. The Company does not maintain insurance against environmental risks.

Environmental Regulation and Liability

The Company's activities are subject to laws and regulations controlling not only mineral exploration and exploitation activities themselves but also the possible effects of such activities upon the environment. Environmental legislation may change and make the mining and processing of ore uneconomic or result in significant environmental or reclamation costs. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mineral exploitation activities, such as seepage from tailings disposal areas that could result in environmental pollution. A breach of environmental legislation may result in the imposition of fines and penalties or the suspension or closure of operations. In addition, certain types of operations require the submission of environmental impact statements and approval thereof by government authorities.

Environmental legislation is evolving in a manner which may mean stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors, officers and employees. Permits from a variety of regulatory authorities are required for many aspects of mineral exploitation activities, including closure and reclamation. Future environmental legislation could cause additional expense, capital expenditures, restrictions, liabilities and delays in the development of the Company's properties, the extent of which cannot be predicted. In the context of environmental permits, including the approval of closure and reclamation plans, the Company must comply with standards and laws and regulations which may entail costs and delays depending on the nature of the activity to be permitted and how stringently the regulations are implemented by the permitting authority. The Company does not maintain environmental liability insurance.

Regulations and Permits

The Company's activities are subject to wide variety of laws and regulations governing health and worker safety, employment standards, waste disposal, protection of the environment, protection of historic and archaeological sites, mine development and protection of endangered and protected species and other matters. The Company is required to have a wide variety of permits from governmental and regulatory authorities to carry out its activities. These permits relate to virtually every aspect of the Company's exploration and exploitation activities. Changes in these laws and regulations or changes in their enforcement or interpretation could result in changes in legal requirements or in the terms of the Company's permits that could have a significant adverse impact on the Company's existing or future operations or projects. Obtaining permits can be a complex, time-consuming process. There can be no assurance that the Company will be able to obtain the necessary permits on acceptable terms, in a timely manner or at all.

The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from continuing or proceeding with existing or future operations or projects. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Currency Fluctuations

Currency fluctuations may affect costs at the Company's operations.

Dependence on Key Employees

The Company's business and operations are dependent on retaining the services of a small number of key employees. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these employees. The loss of one or more of these employees could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key employees.

Potential Dilution

The issue of common shares of the Company upon the exercise of the options and warrants will dilute the ownership interest of the Company's current shareholders. The Company may also issue additional option

and warrants or additional common shares from time to time in the future. If it does so, the ownership interest of the Company's then current shareholders could also be diluted.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Corporation's President and Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure.

As at the end of the period covered by this management's discussion and analysis, management of the Corporation, with the participation of the President and Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Corporation's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the President and Chief Executive Officer and the Chief Financial Officer have concluded that, as of the end of the period covered by this management's discussion and analysis, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Corporation's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Corporation, including the President and Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Simberi's business is exploring for mineral resources that involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Corporation attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Corporation will be profitable in the future, and Simberi common shares should be considered speculative.

There can be no assurance that any funding required by the Corporation will become available to it, and if so, that it will be offered on reasonable terms, or that the Corporation will be able to secure such funding through third party financing or cost sharing arrangements. Furthermore, there is no assurance that the Corporation will be able to secure new mineral properties or projects, or that they can be secured on competitive terms.

Additional Information

Additional information relating to the Corporation is available on the Internet at the SEDAR website located at www.sedar.com and at www.simbeimining.com.

Forward-Looking Statements

This Management's Discussion and Analysis of Financial Conditions and Results of Operations contains certain forward-looking statements. All statements other than statements of historical fact that address activities, events or developments that the Corporation believes, expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "contemplate", "target", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. These statements are based upon certain assumptions and analyses made by management in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes re appropriate in the circumstances. However, whether actual results and developments will conform with management's expectations is subject to a number of risks and uncertainties, including the considerations discussed herein and in other documents filed from time to time by the Corporation with Canadian security regulatory

authorities, general economic, market or business conditions, the opportunities (or lack thereof) that may be presented to and pursued by management, competitive actions by other companies, changes in laws or regulations and other factors, many of which are beyond the Corporation's control. These factors may cause the actual results of the Corporation to differ materially from those discussed in the forward-looking statements and there can be no assurance that the actual results or developments anticipated by management will be realized or, even if substantially realized, that they will have the expected results on Simberi Gold Corporation. All of the forward-looking statements made herein are qualified by the foregoing cautionary statements. The Company expressly disclaims any obligation to update or revise any such forward-looking statements.