Financial Statements
(Expressed in Canadian Dollars)

LEVON RESOURCES LTD.
(An Exploration Stage Company)

For the nine months ended December 31, 2006

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

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

LEVON RESOURCES LTD.
(An Exploration Stage Company)

BALANCE SHEETS
December 31, 2006 and March 31, 2006

		December 31, 2006 (Unaudited)		March 31, 2006 (Audited)
ASSETS				
Current				
Cash	$	476,611	$	732,829
Cash, exploration funds (note 11)		207,647		1,694
Accounts receivable and prepaid expenses		24,929		60,090
Investments (note 4)		39,452		39,452
Due from related parties		-		94,153
		748,639		928,218
Security Deposits		34,117		45,912
Investment in Resource Properties (note 5)		1,004,798		549,051
Office Equipment		4,666		2,938
	$	1,792,220	$	1,526,119
LIABILITIES				
Current				
Accounts payable and accrued liabilities	$	42,453	$	77,202
Due to related parties (note 7)		361,206		208,727
		403,659		285,929
SHAREHOLDERS' EQUITY				
Capital Stock (note 8)		22,117,060		20,883,010
Subscription Receivable (note 8 (f))		(100,000)		(10,000)
Paid Share Subscriptions		-		805,253
Contributed Surplus (note 9)		241,765		191,315
Deficit		(20,870,264)		(20,629,388)
		1,388,561		1,240,190
	$	1,792,220	$	1,526,119

Approved on behalf of the Board:

s/ *"Louis Wolfin"*
Louis Wolfin, Director

s/ *"Ron Tremblay"*
Ron Tremblay, Director

STATEMENTS OF OPERATIONS AND DEFICIT
For the Nine Months Ended December 31, 2006 and 2005
(Unaudited – Prepared by Management)

	Three Months ended December 31, 2006	Three Months ended December 31, 2005	Nine Months ended December 31, 2006	Nine Months ended December 31, 2005
General and Administrative Expenses				
Amortization	$ 148	$ 202	$ 441	$ 538
Consulting and management fees	5,000	15,000	41,805	45,000
Corporate and administrative services	13,500	4,000	26,000	14,500
Listings, filing and transfer agent fees	5,430	2,327	23,195	16,811
Office occupancy and miscellaneous	7,055	5,213	34,424	21,225
Professional fees	2,670	-	20,937	6,033
Salaries and benefits	3,612	5,684	12,379	23,852
Shareholder relations and promotion	10,478	9,188	21,077	17,208
Stock based compensation	17,000	-	51,800	32,400
Travel and automotive	7,860	968	22,932	3,674
Loss Before Other Items	(72,753)	(42,582)	(254,990)	(181,241)
Other Items				
Interest income	3,348	5,863	14,114	6,033
Miscellaneous exploration	-	(3,656)	-	(3,656)
Gain on sale of mineral property	-	-	-	33,542
Loss For The Period	(69,405)	(40,375)	(240,876)	(145,322)
Deficit, Beginning of Period	(20,800,859)	(20,333,902)	(20,629,388)	(20,228,955)
Deficit, End of Period	$ (20,870,264)	$ (20,374,277)	$ (20,870,264)	$ (20,374,277)
Loss per Share	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.00)
Weighted Average Number of Shares Outstanding	38,101,911	25,760,058	36,735,522	25,760,058

LEVON RESOURCES LTD.
(An Exploration Stage Company)

STATEMENTS OF DEFERRED EXPLORATION
December 31, 2006 and March 31, 2006
(Unaudited – Prepared by Management)

Expenditures on resource properties for the nine months ended December 31, 2006

	Congress	Gold Bridge	Wayside	Total
Assays	$ 5,118	$ 4,810	$ -	$ 9,928
Consulting	16,986	5,894	-	22,880
Drilling & exploration	356,138	-	-	356,138
Fuel	6,480	-	-	6,480
Geological	38,008	2,491	-	40,500
Assessment and filing fees	2,981	488	-	3,469
Mapping	4,360	-	-	4,360
Metallurgical & testing	3,168	-	-	3,168
Prospecting	6,733	-	-	6,733
Equipment rental	2,090	-	-	2,090
Total	$ 442,063	$ 13,684	$ -	$ 455,747

Expenditures on resource properties for the fiscal year ended March 31, 2006

	Congress	Gold Bridge	Wayside	Total
Drilling	$ 114,853	$ 1,739	$ -	$ 116,592
Equipment rental	24,701	10,142	-	34,843
Trenching	22,709	6,105	3,855	32,669
Geological and management services	20,022	2,822	2,257	25,101
Consulting	10,733	491	-	11,224
Assays	4,975	233	2,876	8,084
Wages and benefits	4,290	2,461	100	6,851
Drafting and mapping	4,936	-	-	4,936
Metallurgical testing	4,879	-	-	4,879
Mobilization and demobilization	4,087	-	-	4,087
Assessment and filing fees	1,525	577	-	2,102
Fuel	1,325	-	-	1,325
Permits	1,085	-	-	1,085
Meals and accommodation	550	-	-	550
Administration	(2,700)	-	-	(2,700)
Total	$ 217,970	$ 24,570	$ 9,088	$ 251,628

LEVON RESOURCES LTD.
(An Exploration Stage Company)

STATEMENTS OF CASH FLOWS
For the Nine Months Ended December 31, 2006 and 2005
(Unaudited – Prepared by Management)

	Three Months ended December 31, 2006	Three Months ended December 31, 2005	Nine Months ended December 31, 2006	Nine Months ended December 31, 2005
Cash (used in) provided by:				
Operating Activities				
Loss for the period	$ (69,405)	$ (40,375)	$ (240,876)	$ (145,322)
Adjustment for items not involving cash				
Amortization	148	203	441	538
Stock based compensation	17,000	-	51,800	32,400
Changes in non-cash working capital items:				
Accounts receivable and prepaid expenses	(16,989)	3,878	35,161	(10,117)
Security deposits	(2,705)	6,144	11,795	6,048
Accounts payable and accrued liabilities	9,898	25,234	(34,749)	(4,973)
Due from related parties	96,296	-	94,153	(36,547)
Due to related parties	130,044	10,110	152,479	89,906
Cash used in operating activities	164,287	5,194	70,204	(68,067)
Financing Activities:				
Issuance of shares for cash	228,000	-	1,142,700	-
Prepaid subscriptions	-	82,526	(805,253)	82,526
Cash provided by financing activities	228,000	82,526	337,447	82,526
Investing Activities:				
Expenditures on the resource properties	(432,220)	(21,061)	(455,747)	(172,161)
Purchase of office equipment	(2,170)	-	(2,169)	(1,682)
Cash used in investing activities	(434,390)	(21,061)	(457,916)	(173,843)
Inflow (Outflow) of Cash	(42,103)	66,659	(50,265)	(159,384)
Cash, Beginning of Period	726,361	25,692	734,523	251,735
Cash, End of Period	$ 684,258	$ 92,351	$ 684,258	$ 92,351
Supplemental Cash Flow Information				
Interest paid	$ 9,616	$ -	$ 9,616	$ -

NOTES TO FINANCIAL STATEMENTS
For the Nine Months Ended December 31, 2006
(Unaudited – Prepared by Management)

1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION

Levon Resources Ltd. (the "Company") was incorporated under the laws of British Columbia on April 9, 1965. The Company is an exploration stage public company whose principal business activities are the exploration for and development of natural resource properties. There have been no significant revenues generated from these activities to date.

The Company is in the process of exploring and developing its resource properties and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties is dependent upon the discovery of economically recoverable ore reserves on its mineral properties, the ability of the Company to obtain the necessary financing to complete development, confirmation of the Company's interest in the underlying mineral claims, and upon future profitable production or sufficient proceeds from the disposition of its mineral properties.

These financial statements have been prepared based on accounting principles applicable to a going-concern, which assumes that the Company will realize its assets and discharge its liabilities in the ordinary course of business. At December 31, 2006, the Company had working capital of $344,980 and may not be sufficient to achieve its planned business objectives. The ability of the Company to fund its commitments and ongoing operations is dependent upon the ability of the Company to obtain additional equity financing to complete the exploration and development of its mineral properties and, ultimately, the attainment of profitable operations. Failure to continue as a going-concern would require restatement of assets and liabilities on a liquidation basis, which would differ materially from the going-concern basis.

2. SIGNIFICANT ACCOUNTING POLICIES

These unaudited interim financial statements have been prepared in accordance with the accounting principles generally accepted in Canada for interim financial information and, follow the same accounting policies and methods of their application as the Company's most recent annual financial statements. These interim financial statements do not include all of the disclosure included in the annual financial statements, and accordingly should be read in conjunction with the annual financial statements for the year ended March 31, 2006. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. The results of operations for the interim periods are not necessarily indicative of the results of operations for the entire year.

3. SECURITY DEPOSITS

Security deposits are held by the Company's bank as a condition of various reclamation permits on the Company's mineral claims

4. INVESTMENTS

	December 31, 2006		March 31, 2006	
	Number of shares	Amount	Number of shares	Amount
Mill Bay Ventures Inc. (market value December 31, 2006: $31,408; March 31, 2006: $48,857)	348,978	$ 37,897	348,978	$ 37,897
Avino Silver & Gold Mines Ltd. (market value December 31, 2006: $8,190; March 31, 2006: 8,484)	4,200	1,554	4,200	1,554
Omega Equities Corp. at nominal value	57,000	1	57,000	1
	410,178	$ 39,452	410,178	$ 39,452

Avino Silver & Gold Mines Ltd. and Mill Bay Ventures Inc., have common directors with the Company.

5. INVESTMENT IN RESOURCE PROPERTIES

	December 31, 2006	March 31, 2006
Congress Property, British Columbia		
Balance, beginning of period	$ 305,873	$ 87,903
Expenditures in the period	442,063	217,970
Balance, end of period	747,936	305,873
Gold Bridge Claims, British Columbia		
Balance, beginning of period	234,086	209,516
Expenditures in the period	13,684	24,570
Balance, end of period	247,770	234,086
Wayside Claims, British Columbia		
Balance, beginning of period	9,089	1
Expenditures in the period	-	9,088
Balance, end of period	9,089	9,089
Others	3	3
Total Investment in Resource Properties	$ 1,004,798	$ 549,051

(a) Congress Claims

The Company owns a 50% leasehold interest in 45 claims in the Lillooet Mining Division, British Columbia. The mineral claims were purchased from a company with common directors.

5. INVESTMENT IN RESOURCE PROPERTIES (Continued)

(a) Congress Claims (Continued)

The Congress claims are subject to a Joint Venture Agreement dated February 25, 1983 between the Company and Veronex Resources Ltd. ("Veronex"). Veronex has earned a 50% net interest in the claims, net of a 5% net smelter royalty held by the Company, by expending $1,000,000 in a prior year. All subsequent expenditures are to be contributed equally by the Company and Veronex. No contribution has been made by Veronex in recent years to the cost of exploration.

During the year ended March 31, 2005, with funding made available through equity financing, exploration activities recommenced with the Company incurring 100% of expenditures incurred.

(b) Gold Bridge Claims (BRX Project)

The Company owns 50% interest in 74 mineral claims in the Gold Bridge area, Lillooet Mining Division, British Columbia. During the year ended March 31, 2002, the Company wrote-down the expenditures related to the claims resulting in a charge of $118,179 to operations. During the year ended March 31, 2006 exploration activities recommenced.

6. OFFICE EQUIPMENT

December 31, 2006			March 31, 2006		
Cost	Accumulated Amortization	Net	Cost	Accumulated Amortization	Net
$ 31,337	$ 26,671	$ 4,666	$ 29,168	$ 26,230	$ 2,938

7. DUE TO RELATED PARTIES

Amounts due to related parties, related by common management and or common directors, are non-interest bearing and without stated terms of repayment.

	December 31, 2006	March 31, 2006
ABC Drilling Services Inc.	$ 122,910	$ -
Bralorne Gold Mines Ltd	2,526	
Coral Gold Resources Ltd	59,785	57,347
Intermark Capital Corp.	47,125	30,625
Mill Bay Ventures Inc.	5,334	-
Oniva International Services Corp.	76,400	90,130
Wear Wolfin Designs Ltd.	47,125	30,625
	$ 361,206	$ 208,727

8. CAPITAL STOCK

(a) Authorized:

Effective August 28, 2006 the Company's authorized share structure changed from 100,000,000 common shares without par value to an unlimited number of common shares without par value

(b) Issued:

Issued:	Shares	Amount
Balance March 31, 2006	27,286,911	$ 20,883,010
Private Placement @ $0.10	9,550,000	955,000
Share issuance cost		(21,800)
Balance June 30, 2006	36,836,911	21,816,210
Exercise of Options @ $0.10	15,000	1,500
Transfer of stock based compensation from contributed surplus on exercise of stock options		1,350
Balance, September 30, 2006	36,851,911	21,819,060
Private Placement @ $0.10	3,000,000	300,000
Share issuance cost		(2,000)
Balance, December 31, 2006	39,851,911	$ 22,117,060

(c) Private Placements

i) During the nine months ended December 31, 2006 the Company issued 9,550,000 units at a price of $0.10 per unit. Each unit consisted of one common share and one share purchase warrant entitling the holder to purchase an additional common share in the Company at a price of $0.12 per share if purchased on or before April 12, 2007 and thereafter at price of $0.15 until April 12, 2008. The Company paid finder fees in connection with this financing of $21,800.

ii) During the nine months ended December 31, 2006 the Company issued 3,000,000 units at a price of $0.10 per unit. Each unit consisted of one tax flow through common share and one non-transferable share purchase warrant entitling the holder to purchase an additional common share in the Company at a price of $0.12 per share if purchased on or before November 17, 2007 and thereafter at a price of $0.15 until November 17, 2008. The Company paid finder fees in connection with this financing of $2,000.

(d) Stock Options

i) In the nine months ended December 31, 2006 there were 15,000 options exercised at a price of $0.10 per share. The consideration paid by the stock option holder, together with the option compensation associated with the stock options of $1,350, was charged as share capital.

8. CAPITAL STOCK (Continued)

(d) Stock Options (Continued)

ii) In the six months ended September 30, 2006 the Company granted 1,000,000 stock options at an exercise price of $0.21 per share expiring on April 25, 2011. The Company charged $34,800 to operations to recognize the estimated fair value of the options granted. The fair value was estimated using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 3.5%, dividend yield of 0%, expected life of 3 years and a volatility factor of 64%.

iii) In the three months period ended December 31, 2006 the Company granted 275,000 stock options at an exercise price of $0.10 per share expiring on October 1, 2011. The Company charged $17,000 to operations to recognize the estimated fair value of the options granted. The fair value was estimated using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 4.0%, dividend yield of 0%, expected life of 3 years and a volatility factor of 87.5%.

Details of the changes in the Company's stock options at December 31, 2006 and March 31, 2006 are as follows:

	December 31, 2006		March 31, 2006	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Options, beginning of period	2,305,000	$0.10	-	-
Exercised	(15,000)	$0.10	-	-
Granted	1,275,000	$0.19	2,305,000	$0.10
Options, end of period	3,565,000	$0.13	2,305,000	$0.10

As at December 31, 2006 and March 31, 2006, the following stock options were outstanding:

		Number of Shares	
Expiry Date	Exercise Price	December 31, 2006	March 31, 2006
April 05, 2010	$ 0.10	2,290,000	2,305,000
April 25, 2011	$ 0.21	1,000,000	-
October 1, 2011	$ 0.10	275,000	-
		3,565,000	2,305,000

8. CAPITAL STOCK (Continued)

(e) Share Purchase Warrants

A summary of the status of share purchase warrants as of December 31, 2006 and March 31, 2006 and changes during the periods are presented below:

	December 31, 2006		March 31, 2006	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Warrants outstanding, beginning of period	5,200,000	$ 0.150	5,200,000	$ 0.150
Granted in the period	12,550,000	0.120	-	-
Warrants outstanding, end of period	17,750,000	$ 0.140	5,200,000	$ 0.150

Details of the outstanding share purchase warrants at December 31, 2006 are as follows:

Expiry Date	Exercise price per share	Number of Shares
December 31, 2006	$ 0.15	5,200,000
April 12, 2007/2008	$ 0.12/$0.15	9,550,000
November 17, 2007/2008	$ 0.12/$0.15	3,000,000

(f) Subscriptions Receivable

At December 31, 2006 an amount of $100,000 remains outstanding for the issuance of 1,000,000 units at a price of $0.10 per unit in regards to a private placement disclosed in Note 8(c)(ii). Subsequent to the period the Company received payment.

9. CONTRIBUTED SURPLUS

Summary of the contributed surplus as at December 31, 2006 and March 31, 2006 and the changes in those periods is as follows:

Balance, March 31, 2005	$ -
Estimated fair value of 2,305,000 options granted in the year	191,315
Balance, March 31, 2006	191,315
Estimated fair value of 1,000,000 options granted in the period	34,800
Reallocation of Stock-based compensation recognized previously pursuant to the exercise of stock options in the period	(1,350)
Estimated fair value of 275,000 options granted in the period	17,000
Balance, December 31, 2006	$ 241,765

10. RELATED PARTY TRANSACTIONS

Related party transactions not disclosed elsewhere in these financial statements are as follows:

(a) During the nine months ended December 31, 2006, the Company paid, or made provision for the future payment of, the following amounts to related parties:

(i) $26,000 (2005: $14,500) in fees to a private company controlled by a former Director and Officer for accounting and corporate services.

(ii) $41,430 (2005: $45,000) to three private companies controlled Officers of the Company for consulting and management fees.

(iii) $6,748 (2005: $Nil) to a private company controlled by a Director of the Company for travel and other expenses.

(b) The Company entered into a cost sharing agreement dated October 1, 1997 and amended November 1, 2003 with Oniva International Services Corp. (“Oniva”), a private company under common management, to reimburse Oniva a percentage of its overhead expenses, and reimburse 100% of its out-of-pocket expenses incurred on behalf of the Company, and to pay a percentage fee based on the total overhead and corporate expenses referred to above. The agreement may be terminated with one month notice by either party.

During the nine months ended December 31, 2006, a total of $51,529 (2005: $50,511) was billed to the Company for expenses and expenditures in relation to the cost sharing agreement.

These charges were measured at the exchange amount, which is the amount agreed upon by the transacting parties. With the exception of the disclosure above, there are no stated terms of interest or repayment on balances owing by related parties to the Company.

11. EXPLORATION FUNDS

Flow-through shares are issued by a company that incurs certain resource expenditures and renounces them for tax purposes allowing the expenditures to flow-through to the subscriber who purchased the shares. Subscribers may in turn claim expenditures as a deduction on their personal or corporate tax returns.

The total amount of funds raised through the issuance of flow-through shares must be spent on qualified mineral exploration. The proceeds of flow-through financing are restricted in use for Canadian Exploration Expenditures (“CEE”) under Canadian income tax legislation.

During fiscal year 2005, the Company raised $520,000 from the issuance of flow-through shares and renounced this amount to flow-through shareholders. During the six months ended September 30, 2006 the Company amended the amount renounced to $278,000. During the three months ended December 31, 2006 the Company raised a further $300,000 from the issuance of flow-through shares. At December 31, 2006 the amount of flow-through proceeds remained to be incurred by the Company on CEE is $111,711.

12. SUBSEQUENT EVENTS

On January 26, 2007 the Company granted 250,000 stock options exercisable at $0.18 per share until January 26, 2012.

Subsequent to the quarterly end, the Company has had 25,000 stock options exercised for total proceeds of $2,500 and 110,000 share purchase warrants exercised for total proceeds of $13,200.

13. COMMITMENT

On November 9, 2006, the Company entered into a corporate communications services agreement with Investor Relations Group Inc., a European communications firm to provide investor communication services in Europe. The Company has agreed to pay $2,000 per month plus expenses for an initial term of 12 months, which may be extended for further period.

14. COMPARATIVE FIGURES

Certain of the comparative figures are reclassified to conform to the current period presentation.

Management's Discussion & Analysis

Overview

The Company's shares now trade on the Frankfurt Stock Exchange under the symbol "L09". The company's international ISIN number is CA 5279011020. The listing on the Frankfurt Stock Exchange provides the company with increased exposure to worldwide capital markets and enables Europeans to trade the company's common stock in Euros.

An exploration program on the Congress property commenced at the end of the September 2006 quarter. The program involves drilling and underground development work aimed at increasing the known resources in the Lou and Howard zones to a minimum 500,000 contained ounces of gold and to test and expand the new Golden Ledge zone. The program was financed from flow-through proceeds of $242,000 on hand at September 30, 2006, and proceeds of $300,000 received from a flow-through placement completed November 17, 2006.

Net loss for the December 2006 quarter was $69,045 ($0.00 per share) compared to a loss of $40,375 ($0.00) in the comparative 2005 quarter.

General and administrative expenses were $72,753 in the December 2006 quarter, up from $42,582 in the comparable prior year quarter. General and administrative expenses in the current quarter included stock based compensation of $17,000 compared to $Nil in the December 2005 quarter.

At this time, the Company has no operating revenues, and does not anticipate any operating revenues until the Company is able to find, acquire, place in production and operate a mine. Historically, the Company has raised funds through equity financing and the exercise of options and warrants to fund its operations.

Forward Looking Statements

The Management Discussion and Analysis is based on a review of the Company's operations, financial position and plans for the future based on facts and circumstances as of February 28, 2007. Except for historical information or statements of fact relating to the Company, certain information contained herein constitutes forward looking statements. Forward looking statements are based on the opinions, plans and estimates of management at the date the statements are made and are subject to a variety of risks, uncertainties and other factors that could cause the actual results to differ materially from those projected by such statements. The primary risk factors affecting the Company are discussed further under the heading "Risk Factors' below. The Company undertakes no obligation to update forwarding looking statements if circumstances or management's estimates, plans or opinions should change. The reader is cautioned not to place undue reliance on forwarding looking statements

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Developments during the December 2006 quarter

General

The second phase of the drilling on the Congress property in British Columbia was completed in December 2006.

Exploration expenditures in the quarter of $432,220 were for geological and geochemical services and were financed from cash on hand.

Exploration

Phase two of the exploration program started late in the September 2006 quarter on the Congress property and during the December 2006 quarter, a total of 16 holes totaling 2,257 metres were completed. Five holes targeting the Golden Ledge Zone, nine holes targeting the Lou Zone and two on the Howard Zone, were completed in December. All holes reached the targeted zones and the drill results are:

LEVON CONGRESS 2006 DRILL RESULTS							
Hole	**Location UTM**		**Bearing**	**Dip**	**Length Metres**	**Intersection Metres**	**Gold g/tonne**
	Northings	**Eastings**					
GOLDEN LEDGE ZONE							
GL-06-01	5639328	514291 E	350	45	166.37	68.0 - 69.0 (1) 72.0 - 75.0 (3) 91.0 - 92.0 (2) 122.0 -124.0 (2)	3.08 6.41 4.17 4.71
GL-06-02	5639411	514285	190	50	81.40	51.0 – 53.0 (2)	5.66
GL-06-03	5639411	514285	190	60	72.24	45.0 – 46.0 (1)	5.48
GL-06-04	5639338	514267	010	45	102.72	88.0 – 89.0 (1)	3.38
GL-06-05	5639338	514267	010	60	121.01	66.44 – 67.50 (1.06) 71.0 – 71-75 (0.75)	3.80 2.38
LOU ZONE							
LZ-06-01	5638871	514799	88	50	99.67	52.50 – 53.0 (0.5)	4.21
LZ-06-02	5639045	514861	90	45	117.96	**NO SIGNIFICANT VALUES (NSV)**	
LZ-06-03	5638291	514764	90	45	203.30	150.0–152.50 (2.0) 178.0 -180.0 (2.0)	4.40 1.71
LZ-06-04	5638227	514760	90	45	157.02	**(NSV)**	
LZ-06-05	5638124	514759	90	55	185.01	132.0 – 134.0 (2.0) 139.86-142.0 (2.14)	2.55 1.03
LZ-06-06	5638076	514753	96	45	194.16	151.5 - 153.5 (2.0)	2.94
LZ-06-07	5638076	514753	106	45	178.92	155.0 - 158.0 (3.0)	7.28
LZ-06-08	5638076	514750	106	60	203.30	162.0 - 163.0 (1.0)	1.59
LZ-06-09	5637426	514671	060	45	163.68	**(NSV)**	

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HOWARD ZONE							
C-06-01	5637430	514321	100	45	151.51	**(NSV)**	
C-06-02	5637433	514321	90	55	159.39	115.0 – 116.0 (1.0) 153.0 – 154.0 (1.0)	0.67 10.70

In each of the zones, the holes intersected the target mineralized structures. Drilling on the Golden Ledge Zone extended the gold bearing structure approximately 25 metres to the west and to depth. The most significant intercept was Hole GL-06-01, 3 metres of 6.41 grams of gold per tonne.

Drilling on the Lou Zone successfully extended the structure by 500 metres to the north and to depth. The most significant intercept was Hole LZ-06-07, 3 metres of 7.28 grams of gold per tonne.

Two holes were drilled on the southern end of the Howard Zone on the shore of Carpenter Lake. The most significant intercept was Hole C-06-02, 1 metre of 10.70 grams of gold per tonne.

The first phase of the exploration program included two pits, 27 trenches totalling approximately 300 metres, six NQ diamond drill holes totalling 1,060 metres and 102 MMI geological samples in seven lines. This work tested a potential open pit resource (resulting in positive tests for cyanide leaching) and extended the Lou Zone by 500 metres and increased its resources and located the Golden Ledge zone. The trenching on the Golden Ledge exposed a 1 to 1.5-metre wide silicified fault zone with gold values up to 26.4 grams Au per tonne (0.848 oz Au/ton) over 1.2 metres.

Both surface and underground exploration at Congress have developed the following resources:*

Zone	Tonnes	oz/ton	g/tonne	Mineral Resource Category
Howard	273,402.5	0.264	8.20	inferred
Howard	25,909	0.367	11.40	indicated
Howard	40,192	0.280	9.68	measured
Lou (underground)	189,548	0.350	10.90	inferred
Lou (open pit)	124,300	0.077	2.40	inferred
Congress	106,678	0.238	7.40	indicated

**From "Trenching, Drilling and Metallurgical Testing on the Congress Property"- David St. Clair Dunn, P.Geo.NI 43-101 Compliant. Nov 2005*

The Congress Property covers 2,433 hectares (6,012 acres) located on the north side of Carpenter Lake in British Columbia's historic Bridge River region, 90 kilometres west of the town of Lillooet and can be easily accessed by year round government maintained BC Highway 40.

The property consists of 45 claims including 8 crown grants, 13 mineral leases and 24 mineral claims.

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Risks

Exploration and development involve a high degree of risk and few properties are ultimately developed into producing mines. There is no assurance that the Company's future exploration and development activities will result in any discoveries of commercial bodies of ore. Whether an ore body will be commercially viable depends on a number of factors including the particular attributes of the deposit such as size, grade and proximity to infrastructure, as well as mineral prices and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in a mineral deposit being unprofitable.

The Company's projections are estimates only based on management's assessment of facts at the time of the projections. Management believes these projections to be reasonable but actual results may differ.

Competition

The mining industry in which the Company is engaged is in general, highly competitive. Competitors include well-capitalized mining companies, independent mining companies and other companies having financial and other resources far greater than those of the Company. The Company competes with other mining companies in connection with the acquisition of mineral properties. In general, properties with a higher grade of recoverable mineral that is more readily minable, afford the owners a competitive advantage in that the cost of production of the final mineral product is lower. Thus, a degree of competition exists between those engaged in the mining industry to acquire the most valuable properties. As a result, the Company may eventually be unable to acquire attractive mining properties.

Critical Accounting 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 disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and would impact future results of operations and cash flows.

Financial Instruments

The Company's financial instruments consist of cash, term deposits, amounts receivable, prepaid expenses, and accounts payable and accrued liabilities. The carrying values of cash, accounts receivable, security deposits, and accounts payable and accrued liabilities approximate their fair values because of the short maturity of these financial instruments.

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED DECEMBER 31, 2006 COMPARED TO THE THREE MONTHS ENDED DECEMBER 31, 2005

> The review of results of should be read in conjunction with the unaudited interim financial statements of the Company for the nine months ended December 31, 2006 and the audited financial statements of the Company for the year ended March 31, 2006.

Loss for the December 2006 quarter was $69,405 ($0.00 per share) compared to a loss of $40,375 ($0.00) in the comparative 2005 quarter, an increase of $29,030. Interest revenue was down slightly from $5,863 in the 2005 quarter to $3,348 in the 2006 quarter.

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General and administrative expenses were $72,753 in the December 2006 quarter compared to $42,582 in the December 2005 quarter, an increase of $30,171. The primary expense increases consisted of $9,500 in corporate and administrative services, $3,103 in listing, filing and transfer agent fees, $17,000 in stock based compensation and $6,892 in travel and automotive expenses. These costs increases were offset by a decrease of $10,000 in consulting and management fees. The corporate and administrative services expense was higher due to higher monthly fees for corporate secretary and accounting services which included services towards the Company's Form 20-F filing with the Securities Exchange Commission. Stock based compensation of $17,000 was charged to operations in the quarter to recognize the estimated fair value of 275,000 stock options granted in the period. There was no stock based compensation charges recorded during the December 2005 quarter. Travel and automotive expenses were higher due to more property exploration and increase in company promotion during this period.

RESULTS OF OPERATION FOR THE NINE MONTHS ENDED DECEMBER 31, 2006 COMPARED TO THE NINE MONTHS ENDED DECEMBER 31, 2005

The review of results of should be read in conjunction with the unaudited interim financial statements of the Company for the nine months ended December 31, 2006 and the audited financial statements of the Company for the year ended March 31, 2006.

Loss for the nine months ended December 31, 2006 was $240,876 compared to the loss of $145,322 for the nine months ended December 31, 2005, an increase of $95,554. Interest income increased from $6,033 in the December 2005 period to $14,114 in 2006 due to more cash being held in an interest bearing bank account. There was also a gain of $33,542 on the sale of mineral property in nine months ended 2005 compared to nil in the current nine month period which accounts for almost a third of the loss increase. The balance of the loss increase is due to higher general and administrative expenses.

General and administrative expenses totaled $254,990 for the nine months ended December 31, 2006 with a comparative expense of $181,241 for the nine months ended December 31, 2005, an increase of $73,749. Most significant increases were $11,500 in corporate and administrative services due to the increased monthly payment to the corporate secretary and accounting service; $6,384 in listing, filing and transfer agent fees and $14,904 in professional fees due to private placements occurring in the current period but not in the comparative period; $13,199 in office occupancy and miscellaneous expenses due primarily to an adjustment to a flow-through share issuance resulting in an amount owing to the Canada Revenue Agency and increases of $3,869 and $19,258 in shareholder relations and promotion and travel and automotive expenses respectively due to more property exploration and increase in company promotion during this period. There was also stock based compensation of $51,800 was charged to operations in the nine months ended December 31, 2006 compared to $32,400 in the comparative 2005 period, an increase of $19,400.

Summary of Quarterly Results

Expressed in Cdn $

	2006				2005			
Period ended	Dec. 31 Q3	Sept.30 Q2	June 30 Q1	Mar.31 Q4	Dec.31 Q3	Sept.30 Q2	Jun 30 Q1	Mar. 31 Q4
Loss before other items	(72,753)	(103,816)	(78,421)	(302,793)	(42,582)	(55,871)	(53,010)	(32,345)
Net Loss	(69,405)	(99,043)	(72,428)	(251,495)	(40,375)	(56,695)	(51,868)	(47,833)
Basic Loss per Share	(0.00)	(0.00)	(0.00)	(0.02)	(0.00)	(0.00)	(0.00)	(0.00)

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Liquidity and Capital Resources

At this time the Company has no operating revenues. Historically, the Company has funded its operations through equity financing and the exercise of stock options and warrants.

As at December 31, 2006 the Company had working capital of $344,980 including $207,647 in flow-through funds. On November 17, 2006 the Company completed a tax flow-through private placement for proceeds of $300,000 by issuing 3,000,000 units at a price of $0.10 per unit. Each unit consisted of one flow-through common share and one share purchase warrant entitling the holder to purchase an additional common share in the Company at a price of $0.12 per share if purchased on or before November 17, 2007 and thereafter at price of $0.15 until November 17, 2008. The total proceeds of $300,000 are restricted in use for ("CEE") under Canadian income tax legislation.

The Company believes it has sufficient working capital to meet its current obligations and operating expenses to the end of the fiscal year.

Share Capital

Effective August 28, 2006 the Company's authorized share structure changed from 100,000,000 common shares without par value to an unlimited number of common shares without par value.

Balance, March 31, 2006	27,286,911	$	20,883,010
Share issuances:			
Issued under a private placement at $0.10 per share	9,550,000		955,000
Finder fees paid in connection with private placement	-		(21,800)
Balance, June 30, 2006	36,836,911		21,816,21
Stock option exercised at $0.10	15,000		1,500
Transfer of stock based compensation from Contributed Surplus on exercise of stock options			1,350
Balance, September 30, 2006	36,851,911	$	21,819,060
Share issuances:			
Issued under a private placement at $0.10 per share	3,000,000		300,000
Finder fees paid in connection with private placement			(2,000)
Balance, December 31, 2006	39,851,911	$	22,117,060

There were 9,550,000 units issued in the first quarter at a price of $0.10 per unit by private placement. Each unit consisted of one common share and one share purchase warrant entitling the holder to purchase an additional common share in the Company at a price of $0.12 per share if purchased on or before April 12, 2007 and thereafter at price of $0.15 until April 12, 2008. The Company paid finder fees in connection with this financing of $21,800.

There were 15,000 stock options exercised in the second quarter at a price of $0.10 per share. The consideration paid by the stock option holder of $1,500 together with the option compensation associated with the stock options previously recorded of $1,350, was charged as share capital.

The Company granted 1,000,000 stock options in the second quarter. The options are exercisable at $0.21 per share and expire on April 25, 2011. The Company charged $34,800 to operations representing the estimated fair value of the options granted.

The Company completed a private placement in the third quarter involving the issuance of 3,000,000 units at a price of $0.10 per unit. Each unit consisted of one flow-through common share and one share purchase warrant entitling the holder to purchase an additional common share in the Company at a price of $0.12 per share if purchased on or before November 17, 2007 and thereafter at price of $0.15 until November 17, 2008.

During the third quarter, the Company granted 275,000 stock options. The options are exercisable at $0.10 per share and expire on October 2, 2011. The Company charged $17,000 to operations representing the estimated fair value of the options granted.

Stock Options Outstanding

		Number of Shares	
Expiry Date	Exercise Price	December 31, 2006	March 31, 2006
April 05, 2010	$ 0.10	2,290,000	2,305,000
April 25, 2011	$ 0.21	1,000,000	-
October 2, 2011	$ 0.10	275,000	-
		3,565,000	2,305,000

Share Purchase Warrants Outstanding

		Number of Shares	
Expiry Date	Exercise Price	December 31, 2006	March 31, 2006
Dec. 31, 2006	$ 0.15	-	5,200,000
April 12, 2007/08	$ 0.12/$0.15	9,550,000	-
Nov. 17, 2007/08	$0.12/$0.15	3,000,000	-
		12,550,000	5,200,000

Related Party Transactions

Levon entered into a cost sharing agreement with Oniva International Services Corp. (“Oniva”) a private company with common management, to reimburse Oniva 20% of its overhead expenses, 100% of its’ out of pocket expenses, and a 10% administrative fee based on the total overhead and corporate expenses charged to Levon. The agreement may be terminated with one month notice by either party. During the quarter Levon was charged $13,030 in relation to the cost sharing agreement. At December 31, 2006 liabilities include $76,400 due to Oniva under the cost sharing agreement.

At December 31, 2006, there was $67,645 due to three public companies with common directors; $122,910 due to a private company controlled by directors and/or officers of the Company for drilling services; $94,250 to two private companies controlled by directors and/or officers of the Company for past consulting and management fees and $76,400 to Oniva.

In addition to the above, the following amounts were paid, or a provision for the future payment has been made, to related parties:

(i) $26,000 (2005: $14,500) to a private company controlled by a former Director and Officer. The Company is charged $2,500 per month for accounting and corporate services provided to the Company.

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(ii) $41,430 (2005: $45,000) to three private companies, controlled by officers of the Company, for providing consulting and management services to the Company.

(iii) $6,748 (2005: $Nil) to a private company controlled by a Director of the Company for travel and other expenses.

These charges were measured at the exchange amount, which is the amount agreed upon by the transacting parties. With the exception of the disclosure above, there are no stated terms of interest or repayment on balances owing by related parties to the Company.

Disclosure of Management Compensation

During the three months ended December 31, 2006, $5,000 was paid to a company controlled by the President for services as director and officer of the Company.

Commitment

On November 9, 2006, the Company entered into a corporate communications services agreement with Investor Relations Group Inc., a European communications firm to provide investor communication services in Europe. The Company has agreed to pay $2,000 per month plus expenses for an initial term of 12 months, which may be extended for further period.

Subsequent events

On January 26, 2007 the Company granted 250,000 stock options exercisable at $0.18 per share until January 26, 2012.

Subsequent to the quarterly end, the Company has had 25,000 stock options exercised for total proceeds of $2,500 and 110,000 share purchase warrants exercised for total proceeds of $13,200.

Other

As required by Multilateral Instrument 52-109, the Company has evaluated the effectiveness of its discloser controls and procedures as of the end of the fiscal year ended March 31, 2006 under the supervision and with the participation of the President and Chief Financial Officer.

Based on results of this evaluation, the President and the Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective.

Additional information relating to the Company is available on SEDAR at www.sedar.com.

Outlook

Management is currently evaluating the results form the second phase of the drilling program on the Congress property in British Columbia. Once this assessment is complete, management will decide on the next stage of exploration. Any further exploration and operating expenses for the balance of the fiscal year will be funded from cash on hand and with remaining proceeds raised by private placement completed in the third quarter of $300,000.

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