

NOTICE TO SHAREHOLDERS

PATRICIA MINING CORP. (A Development Stage Company) QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2006

Responsibility for Financial Statements

The accompanying consolidated financial statements for Patricia Mining Corp. have been prepared by management in accordance with Canadian generally accepted accounting principles consistently applied. The most significant of these accounting principles have been set out in the December 31, 2005 audited consolidated financial statements. Only changes in accounting information have been disclosed in these consolidated financial statements. These consolidated statements are presented on the accrual basis of accounting. Accordingly, a precise determination of many assets and liabilities is dependent upon future events. Therefore, estimates and approximations have been made using careful judgment. Recognizing that the Company is responsible for both the integrity and objectivity of the consolidated financial statements, management is satisfied that these consolidated financial statements have been fairly presented.

Auditor involvement

The auditor of Patricia Mining Corp. has not performed a review of the unaudited consolidated financial statements for the six months ended June 30, 2006 and June 30, 2005.

PATRICIA MINING CORP.
CONSOLIDATED BALANCE SHEETS

	June 30, <u>2006</u> \$ (Unaudited)	December, 31 <u>2005</u> \$ (Audited)
ASSETS		
CURRENT		
Cash and cash equivalents	997,774	2,215,276
Sundry receivable	221,191	123,871
Prepaid expenses	<u>27,332</u>	<u>40,470</u>
	1,246,297	2,379,617
RESTRICTED CASH (Note 3)	164,000	164,000
PLANT AND EQUIPMENT	1,364,353	1,367,269
EXPLORATION PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (Note 4)	17,979,197	12,599,685
	<u>20,753,847</u>	<u>16,510,571</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	1,184,350	593,998
LONG TERM DEBT (Note 5)	4,473,500	1,678,500
FUTURE INCOME TAX LIABILITY	615,400	615,400
ASSET RETIREMENT OBLIGATION	<u>387,985</u>	<u>373,079</u>
	<u>6,661,235</u>	<u>3,260,977</u>
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (Note 6)	20,636,854	19,531,872
SHARE PURCHASE WARRANTS (Note 7)	263,863	361,196
CONTRIBUTED SURPLUS (Note 8)	1,563,570	1,429,350
(DEFICIT)	<u>(8,371,675)</u>	<u>(8,072,824)</u>
	<u>14,092,612</u>	<u>13,249,594</u>
	<u>20,753,847</u>	<u>16,510,571</u>

PATRICIA MINING CORP.
(A Development Stage Company)
STATEMENTS OF OPERATIONS AND DEFICIT

	Three Months ended June 30,		Six Months ended June 30,	
	<u>2006</u> \$ (Unaudited)	<u>2005</u> \$ (Unaudited)	<u>2006</u> \$ (Unaudited)	<u>2005</u> \$ (Unaudited)
INTEREST INCOME	<u>13,449</u>	<u>-</u>	<u>21,140</u>	<u>-</u>
EXPENSES				
Management fees	95,000	58,000	156,000	118,000
Office and general	29,254	14,879	56,596	28,631
Shareholder Information	12,038	14,179	13,012	15,125
Investor relations	32,080	12,808	57,133	34,280
Rent	11,365	10,916	22,729	21,311
Salaries and benefits	24,121	9,242	50,153	18,704
Professional fees	26,572	5,000	37,746	11,454
Transfer agent and filing fees	6,146	4,162	20,384	9,014
Travel	8,974	3,611	11,943	7,712
Mineral property assessments	3,720	2,512	16,694	2,512
Communications	2,394	1,870	4,392	4,411
Stock option -based compensation	357,500	-	357,500	-
Amortization	<u>3,614</u>	<u>1,627</u>	<u>6,609</u>	<u>3,254</u>
	<u>612,778</u>	<u>138,806</u>	<u>810,891</u>	<u>274,408</u>
Loss before income taxes	(599,329)	138,806	(789,751)	274,408
Future income tax recovery	<u>-</u>	<u>-</u>	<u>490,900</u>	<u>-</u>
NET (LOSS) for the period	(599,329)	(138,806)	(298,851)	(274,408)
Deficit, beginning of period	<u>(7,772,346)</u>	<u>(7,681,107)</u>	<u>(8,072,824)</u>	<u>(7,545,505)</u>
Deficit, end of period	<u>(8,371,675)</u>	<u>(7,819,913)</u>	<u>(8,371,675)</u>	<u>(7,819,913)</u>
Net (loss) per common share basic and diluted	<u>(0.02)</u>	<u>(0.01)</u>	<u>(0.01)</u>	<u>(0.01)</u>
Weighted average number of shares outstanding	<u>29,354,632</u>	<u>26,355,860</u>	<u>28,926,892</u>	<u>25,976,652</u>

PATRICIA MINING CORP.
(A Development Stage Company)
STATEMENTS OF CASH FLOWS

	Three Months ended June 30,		Six Months ended June 30,	
	<u>2006</u> \$ (Unaudited)	<u>2005</u> \$ (Unaudited)	<u>2006</u> \$ (Unaudited)	<u>2005</u> \$ (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net (loss) for the period	(599,329)	(138,806)	(298,851)	(274,408)
Items not involving cash:				
Amortization	3,614	1,627	6,609	3,254
Stock option - based compensation	357,500	-	357,500	-
Future income tax recovery	-	-	(490,900)	-
	<u>(238,215)</u>	<u>(137,179)</u>	<u>(425,642)</u>	<u>(271,154)</u>
Changes in non-cash working capital balances:				
(Increase) in restricted cash	-	8,935	-	-
(Increase) decrease in sundry receivables	(47,745)	(19,511)	(97,320)	186,513
(Increase) decrease in prepaid expenses	(6,202)	-	13,138	7,240
Increase (decrease) in accounts payable and accrued liabilities	<u>394,804</u>	<u>1,704</u>	<u>590,352</u>	<u>(210,224)</u>
	<u>340,857</u>	<u>(8,872)</u>	<u>506,170</u>	<u>(16,471)</u>
	<u>102,642</u>	<u>(146,051)</u>	<u>80,528</u>	<u>(287,625)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Increase in exploration properties and deferred exploration expenditures	(2,916,469)	(48,284)	(4,914,607)	(43,129)
Purchase of equipment	(3,691)	-	(3,691)	-
Decrease in refundable deposit	-	5,000	-	5,000
	<u>(2,920,160)</u>	<u>(43,284)</u>	<u>(4,918,298)</u>	<u>(38,129)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Increase in long term debt	2,385,000	-	2,795,000	-
Warrants exercised	280,528	-	300,268	494,500
Stock options exercised	120,500	-	525,000	16,000
	<u>2,786,028</u>	<u>-</u>	<u>3,620,268</u>	<u>510,500</u>
(Decrease) increase in cash and cash equivalents	(31,490)	(189,335)	(1,217,502)	184,746
Cash and cash equivalents, beginning of period	<u>1,029,264</u>	<u>1,290,938</u>	<u>2,215,276</u>	<u>916,857</u>
Cash and cash equivalents, end of period	<u>997,774</u>	<u>1,101,603</u>	<u>997,774</u>	<u>1,101,603</u>
Supplemental Information:				
Shares issued for exploration properties	450,000	-	450,000	-
Interest paid	72,850	-	96,926	-
Income taxes paid	-	-	-	-

1. NATURE OF OPERATIONS

Patricia Mining Corp. ("the Company") is a development stage enterprise in the process of exploring and developing its interests in resource properties and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of amounts shown for exploration properties and related deferred expenses is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production or proceeds from the disposition thereof. The Company's exploration operations are subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In order for the Company to carry out its exploration and mining activities, the Company is required to hold certain permits. There is no assurance that the Company's existing permits will be renewed or that new permits that have been applied for will be granted. Major expenditures are required to locate and establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. The recoverability of valuations assigned to mineral properties is dependent upon discovery of economically recoverable reserves, the ability to obtain necessary financing to complete development and future profitable production or proceeds from disposition. Management reviews the carrying value of the Company's interest in each property and where necessary, exploration properties are written down to their estimated recoverable amount. Although management has made its best estimate of these factors, it is reasonably possible that certain events could adversely affect management's estimates of recoverable amounts and the need for, as well as the amount of, provision for impairment in the carrying value of exploration properties and related assets.

2. ACCOUNTING POLICIES

Management of the Company have prepared these interim consolidated financial statements in accordance with generally accepted accounting principles in Canada. These statements should be read in conjunction with the December 31, 2005 audited consolidated financial statements.

The disclosure in these interim consolidated financial statements may not conform in all respects to Canadian generally accepted accounting principles for annual financial statements.

PATRICIA MINING CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS`
 JUNE 30, 2006

2 ACCOUNTING POLICIES (continued)

In the opinion of management, all adjustments considered necessary for fair presentation have been included in these consolidated financial statements. Operating results for the six months ended June 30, 2006 may not be indicative of the results that may be expected for the full year ending December 31, 2006.

These interim consolidated financial statements follow the same methods and policies used in the audited consolidated financial statements for the year ended December 31, 2005.

.3. RESTRICTED CASH

The Company has issued various standby letters of credit as guarantees in connection with the Island Gold Project including an irrevocable letter of credit for approximately \$144,000 to the Ministry of Northern Development and Mines as part of the Lochalsh Property Closure Plan.

4. EXPLORATION PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

	<u>Opening</u>	<u>Expenditures</u>	(Write downs) <u>(Receipts)</u>	<u>Closing</u>
	\$	\$	\$	\$
Island Gold Project				
Acquisition	1,893,970	48,916	-	1,942,886
Exploration	10,176,885	4,726,765	-	14,903,650
Edwards Property				
Acquisition	-	480,000	-	480,000
Other				
Acquisition	12,412	-	-	12,412
Exploration	148,433	12,000	-	160,433
Lac des Iles Property				
Acquisition	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>25,000</u>
	12,256,700	5,267,681	-	17,524,381
Asset retirement costs	373,079	14,905	-	387,984
Interest costs	<u>(30,094)</u>	<u>96,926</u>	<u>-</u>	<u>66,832</u>
	<u><u>12,599,685</u></u>	<u><u>5,379,512</u></u>	<u><u>-</u></u>	<u><u>17,979,197</u></u>

Island Gold Project

During the first quarter the Company and Richmond Mines Inc. purchased the remaining interest in the Goudreau property for \$100,000 plus expenses.

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4. EXPLORATION PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES (cont.)

Edwards Property

The Company acquired a 75% interest in Vencan Gold Corporation's Edwards gold property adjoining the Company's Island Gold Project and 100% of the 3% NSR on the past producing Edwards Mine. The Edwards property consists of 39 staked and 4 patented mining claims. The Company earned a 75% interest by making a cash payment of \$30,000 (paid) and issuing 500,000 common shares (issued) valued at \$450,000. The Company also acquired an option to acquire the remaining 25% interest in this property by issuing 1,000,000 common shares of the Company within the first 30 months of the agreement, or by issuing 1,500,000 common shares of the Company after the initial 30 month period. The remaining 25% interest will be carried for the first \$1,000,000 in exploration expenditures or two years, whichever occurs first. The share issuances are subject to regulatory approval. Richmond Mines Inc. has the opportunity to participate in this acquisition and acquire up to a 55% interest in the acquisition.

The remaining property descriptions can be found in the December 31, 2005 audited consolidated financial statements

5. LONG TERM DEBT

Pursuant to a loan agreement dated October 31, 2005, the Company was provided a loan facility in the maximum amount of \$4,500,000 from its joint-venture participant for purposes of financing the Company's proportionate share of expenditures relating to the Island Gold Project. The advances under the loan agreement may take place up to December 1, 2006. Repayment is required in 36 equal consecutive monthly installments commencing December 1, 2006 if commercial production, as defined in the agreement, has commenced by July 2006, or the earlier of April 1, 2007 and the first date for the fourth month following the commencement of commercial production if commercial production has not commenced by July 2006. The loan bears interest at prime plus 3% and is secured by the Company's interest in the Island Gold Project.

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PATRICIA MINING CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 JUNE 30, 2006

6. CAPITAL STOCK

(a) Authorized
 Unlimited Common shares

(b) Common Shares issued

	<u>Number of Shares</u> #	<u>Amount</u> \$
Balance, beginning of period	28,128,985	19,531,872
Shares issued for exploration properties	500,000	450,000
Warrants exercised	506,088	397,602
Stock options exercised	991,000	748,280
Tax effects of issuing flow-through common shares	-	(490,900)
	<u>30,126,073</u>	<u>20,636,854</u>

(c) **Stock Options**

The Company has granted options for the purchase of common shares to its directors, officers, employees and certain consultants. These options are valid for a maximum of 5 years from the date of issue. Vesting terms and conditions are determined by the Board of Directors at the time of the grant.

A summary of changes in stock options during the period is as follows:

	<u>Stock Options</u> #	<u>Weighted Average Exercise Price</u> \$
Balance, beginning of period	2,545,000	0.61
Granted	750,000	1.26
Exercised	(991,000)	0.53
Cancelled	<u>(20,000)</u>	<u>0.73</u>
Balance, end of period	<u>2,284,000</u>	<u>0.86</u>

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PATRICIA MINING CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 JUNE 30, 2006

6. CAPITAL STOCK (Continued)

As at June 30, 2006, the Company had incentive stock options issued to directors, officers and consultants of the Company as follows:

<u>Stock Options</u> #	<u>Exercise Price</u> \$	<u>Expiry Date</u>
74,000	0.50	August 30, 2007
120,000	0.50	January 22, 2008
335,000	0.60	October 20, 2008
125,000	0.51	September 7, 2009
390,000	0.75	December 8, 2009
490,000	0.60	October 20, 2010
250,000	1.02	April 27, 2011
250,000	1.25	April 27, 2011
<u>250,000</u>	1.50	April 27, 2011
<u>2,284,000</u>		

7 SHARE PURCHASE WARRANTS

As at June 30, 2006, the following share purchase warrants are outstanding:

<u>Warrants</u> #	<u>Exercise Price</u> \$	<u>Estimated Fair Value</u> \$	<u>Expiry Date</u>
440,000	0.60	150,100	August 31, 2006
139,941	0.50	44,000	August 31, 2006
86,500	0.64	32,805	October 29, 2006
30,000	0.50	9,300	October 29, 2006
<u>898,625</u>	0.50	116,821	June 29, 2007
<u>1,595,066</u>			

A summary of changes in share purchase warrants during the period is as follows:

	<u>Warrants</u> #	<u>Weighted Average</u> <u>Exercise Price</u> \$
Balance, beginning of period	2,071,125	0.98
Issued	30,029	0.60
Exercised	<u>(506,088)</u>	<u>0.59</u>
Balance, end of period	<u>1,595,066</u>	<u>1.10</u>

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PATRICIA MINING CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2006

8. CONTRIBUTED SURPLUS

A summary of changes in contributed surplus during the period is as follows:

	<u>Amount</u>
	\$
Balance, beginning of period	1,429,350
Stock Option compensation	357,500
Stock Options exercised	<u>(223,280)</u>
Balance, end of period	<u>1,563,570</u>

9. SUBSEQUENT EVENT

Subsequent to the period end the Company concluded a \$2,000,000 non-brokered private placement debenture financing with a private individual. Terms of the financing are as follows: Issued at \$98.00 to face value which delivered \$1,960,000.00 to the Company. The debenture yields 7% for 1 year from date of closing. The holder of the debenture received 150,000 common share purchase warrants exercisable at \$1.35 for 2 years from date of closing.