ADRIANA RESOURCES INC.

Interim Consolidated Financial Statements
(Unaudited – Prepared by Management)

January 31, 2006

The accompanying unaudited interim consolidated financial statements of Adriana Resources Inc. for the three months ended January 31, 2006 have been prepared by management and approved by the Board of Directors of the Company. These statements have not been reviewed by the Company's external auditor.

Adriana Resources Inc.

Interim Consolidated Balance Sheet
(Unaudited – Prepared by Management)

		January 31, 2006		October 31, 2005
Assets				
Current assets				
Cash	$	492,009	$	203,921
Accounts receivable		9,191		19,014
Prepaid expenses and deposits		10,965		20,667
		512,165		243,602
Equipment (note 2)		48,933		34,731
Mineral properties (note 3)		548,725		195,673
Deferred exploration expenses (note 3)		522,768		469,043
	$	**1,632,591**	$	943,049
Liabilities				
Current liabilities				
Accounts payable	$	43,485	$	59,154
Advances from related parties (note 5)		-		15,500
		43,485		74,654
Shareholders' Equity				
Share capital (note 4(b))		**27,066,614**		26,131,794
Contributed surplus (note 4(b))		**109,393**		48,977
Deficit		**(25,586,901)**		(25,312,376)
		1,589,106		868,395
	$	**1,632,591**	$	943,049

The accompanying notes are an integral part of the interim consolidated financial statements.

Approved by the Directors:

"Michael Beley" Director "Richard Barclay" Director

Adriana Resources Inc.

Interim Consolidated Statement of Operations and Deficit
(Unaudited – Prepared by Management)

Three Months Ended January 31,	**2006**	2005
Administrative expenses		
Amortization	$ 2,775	$ -
Bank charges and interest	741	230
Consulting fees	40,122	-
Investor relations	34,979	-
Professional fees	21,434	9,905
Rent and office expenses	53,260	1,720
Shareholder relations	28,739	-
Stock based compensation	46,298	-
Transfer agent and filing fees	21,855	2,841
Travel	24,837	-
	(275,040)	(14,696)
Other income		
Interest income	**515**	-
Loss for the period	**(274,525)**	(14,696)
Deficit, beginning of period	**(25,312,376)**	(25,023,815)
Deficit, end of period	**$ (25,586,901)**	$ (25,038,511)
Loss per share	**$ (0.01)**	$ (0.00)
Weighted average number of shares outstanding	**18,854,353**	8,148,728

The accompanying notes are an integral part of the interim consolidated financial statements.

Adriana Resources Inc.

Interim Consolidated Statement of Cash Flows
(Unaudited – Prepared by Management)

Three Months Ended January 31,	**2006**	2005
Cash provided by (used for)		
Operating activities		
Loss for the period	$ (274,525)	$ (14,696)
Items not involving cash		
Amortization	2,775	-
Stock based compensation	46,298	-
Net change in non-cash working capital		
Accounts receivable	9,823	(101)
Accounts payable	(21,508)	(3,503)
Prepaids	9,702	-
	(227,435)	(18,300)
Investing activities		
Deferred charges	(53,725)	-
Expenditures on mineral properties	(80,052)	-
Acquisition of capital assets	(16,977)	-
	(150,754)	-
Financing activities		
Shares issued	675,938	285,000
Due to related party	5,839	-
Repayment of advances from related party	(15,500)	(6,500)
	666,277	278,500
Net increase in cash	**288,088**	260,200
Cash, beginning of period	**203,921**	916
Cash, end of period	**$ 492,009**	$ 261,116
Supplementary cash flow information		
Interest paid	**$ -**	$ 277
Interest received	**515**	-
Shares issued for financing	**33,920**	-
Shares issued for mineral property	**273,000**	-

The accompanying notes are an integral part of the interim consolidated financial statements.

Adriana Resources Inc.

Schedule of Mineral Property Costs
(Unaudited – Prepared by Management)

	Three months ended January 31, 2006	Year ended October 31, 2005
Mineral properties		
Property acquisition costs		
All Night Lake property	$ -	$ 144,125
McGregor Lake property	-	15,186
Otelnuk Lake property	338,450	36,362
Labrador Trough property	14,602	-
	353,052	195,673
Deferred exploration expenses		
All Night Lake property		
Geological and survey	17,118	262,954
Camp and expediting	-	150,078
Permits	-	1,513
	17,118	414,545
Otelnuk Lake property		
Geological and survey	32,757	54,498
Travel	3,850	-
	36,607	54,498
	53,725	469,043
Total mineral property expenditures during period	**406,777**	664,716
Balance, beginning of period	**664,716**	-
Balance, end of period	**$ 1,071,493**	$ 664,716

The accompanying notes are an integral part of the interim consolidated financial statements.

1. Basis of Presentation

These consolidated financial statements have been prepared by management in accordance with accounting principles generally accepted in Canada for interim financial statements. The consolidated financial information herein is unaudited. These interim consolidated financial statements follow the same accounting policies and methods of application as the most recent annual consolidated financial statements dated October 31, 2005. These interim consolidated financial statements should be read in conjunction with the company's October 31, 2005 audited annual consolidated financial statements.

Adriana Resources Inc. (the "Company") was incorporated under the laws of the Province of British Columbia and continued under the Canada Business Corporation Act. On July 22, 2005, the Company's name was changed from Adriana Ventures Inc. to Adriana Resources Inc.

The Company has a wholly owned subsidiary, 5050 Nunavut Limited ("5050 Nunavut"), incorporated under the laws of Nunavut, Canada. These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary. All material intercompany balances and transactions have been eliminated.

2. Equipment

	Cost $	Accumulated Amortization $	January 31, 2006 Net Book Value $	October 31, 2005 Net Book Value $
Computer equipment	25,369	2,432	22,937	21,251
Office furniture and equipment	31,587	5,591	25,996	13,480
	56,956	8,023	48,933	34,731

3. Mineral Properties

All Night Lake Property (MIE Property), Nunavut

In August 2005, through its acquisition of 5050 Nunavut Limited, the Company acquired 37 contiguous staked claims on Crown lands and two adjacent properties covered by Inuit Owned Lands Mineral Exploration Agreements.

McGregor Lake Property, Nunavut

In August 2005, the Company staked eleven claims on the Muskox Intrusion.

Otelnuk Lake Property, Northern Quebec

In September 2005, the Company entered into a Memorandum of Understanding (the "MOU") with Bedford Resource Partners Inc. ("Bedford") to earn a 100% interest in the Otelnuk Lake iron deposit located in northeastern Quebec. On signing the MOU, the Company paid $10,000 to Bedford, an arms length party, as a non-refundable deposit. During the three months ended January 31, 2006, the Company entered into a definitive option agreement with Bedford and received all regulatory approvals. The property consists of 129 mining claims. Consideration for the option agreement includes a 2.5 % net smelter royalty from the sale of any minerals mined, subject to minimum royalty advances, and a combination of cash, shares and work commitments as follows:

3. Mineral Properties (continued)

	Option payments	Work commitments	Advance Royalties	Common shares issued
On execution of the MOU (paid)	$ 10,000	$ –	$ –	–
On exchange approval (paid and issued)	30,000	–	–	650,000
November 30, 2006	–	–	150,000	650,000
December 31, 2006	–	1,000,000	–	–
November 30, 2007	–	–	175,000	700,000
December 31, 2007	–	1,000,000	–	–
November 30, 2008	–	–	200,000	–
November 30, 2009	–	–	300,000	–
December 31, 2009	–	2,000,000	–	–
November 30, 2010	–	–	400,000	–
November 30, 2011	–	–	625,000	–
November 30, 2012	–	–	675,000	–
November 30, 2013	–	–	700,000	–
November 30, 2014	–	–	750,000	–
November 30, 2015	–	–	800,000	–
Per year thereafter	–	–	1,000,000	–
	$ 40,000	$ 4,000,000		2,000,000

The Company staked an additional 509 claims in and around Otelnuk Lake.

Labrador Trough Property, Northern Quebec

The Company staked 149 claims for this property.

4. Share Capital

a) Authorized

Unlimited Class A common shares, without par value

b) Issued

	Three months ended January 31, 2006		Year ended October 31, 2005	
	Shares	Amount	Shares	Amount
Balance, beginning of period	17,958,614	$26,131,794	5,732,424	$25,001,607
Private placements	926,730	602,375	8,476,190	1,085,000
Cost of financing	52,184	(18,430)	–	(36,478)
Shares issued on warrant exercises	222,500	77,875	–	–
Shares issued for mineral property	650,000	273,000	–	–
Acquisition of 5050 Nunavut Limited	–	–	3,750,000	81,665
Balance, end of period	19,810,028	$27,066,614	17,958,614	$26,131,794

4. Share Capital (continued)

b) Issued (continued)

Private Placements

In December 2005, the Company closed a private placement for 926,730 units at $0.65 per unit for gross proceeds of $602,375. Each unit consists of one share and one-half warrant. Each whole warrant is exercisable for a period of one year to acquire one share at $0.80 per share. The Company paid a commission of 8% in units, or 52,184 units, and issued 52,184 broker warrants exercisable at $0.80 for a period of one year on funds sourced to eligible finders in respect of certain units placed under the financing.

c) Warrants

The continuity of warrants is as follows:

	Number of common shares	Weighted average exercise price
Balance, October 31, 2004	–	$ –
Issued	1,388,093	0.38
Balance, October 31, 2005	1,388,093	$ 0.38
Issued	541,639	0.80
Exercised	(222,500)	0.35
Balance, January 31, 2006	1,707,232	$0.52

As at January 31, 2006, the following warrants were outstanding:

Number of Warrants	Exercise Price	Expiry Date
998,927	$0.35	July 29, 2006
166,666	$0.60	July 29, 2006
541,639	$0.80	December 20, 2006
1,707,232		

During the three months ended January 31, 2006, under the fair-value-based method, $14,118 (2005 – $Nil) in compensation expense was recorded for the issuance of broker warrants in connection with a private placement.

The fair value of broker warrants has been estimated using the Black-Scholes option pricing model with the following assumptions:

Three months ended January 31,	2006	2005
Risk free interest rate	3.50%	-%
Expected dividend yield	-%	-%
Stock price volatility	64%	-%
Expected life of options	1 year	- year

4. Share Capital (continued)

d) Options

The continuity of options is as follows:

	Number of common shares	Weighted Average exercise price
Balance, October 31, 2004	–	$ –
Granted	1,675,000	0.36
Balance, October 31, 2005	1,675,000	$0.36
Granted	–	–
Balance, January 31, 2006	1,675,000	$0.36

As at January 31, 2006, the following options were outstanding:

Number of Options	Exercise Price	Expiry Date
1,200,000	$0.35	August 11, 2010
200,000	$0.35	August 29, 2010
50,000	$0.41	August 11, 2010
150,000	$0.40	October 24, 2006
50,000	$0.50	October 24, 2006
25,000	$0.60	October 24, 2006
1,675,000		

During the three months ended January 31, 2006, under the fair-value-based method, $46,298 (2005 – $Nil) in compensation expense was recorded for options vested to directors, officers, and consultants.

The fair value of share options used has been estimated using the Black-Scholes option pricing model with the following assumptions:

Three months ended January 31,	2006	2005
Risk free interest rate	3.50-3.75%	-%
Expected dividend yield	-%	-%
Stock price volatility	19% - 66%	-%
Expected life of options	1 - 3 years	- years

e) Contributed surplus

	Amount
Balance, October 31, 2004	$ –
Stock based compensation for stock options	48,977
Balance, October 31, 2005	$ 48,977
Stock based compensation for stock options	46,298
Stock based compensation for broker warrants	14,118
Balance, January 31, 2006	$ 109,393

4. Share Capital (continued)

f) Shares held in escrow

At January 31, 2006, 5,518,875 (October 31, 2005 – 5,518,875) shares were subject to escrow agreements dated July 27, 2005 and may not be transferred, assigned or otherwise dealt with without the consent of the regulatory body having jurisdiction thereon. Escrowed shares are released every six months and the length of the agreements range from eighteen months to three years.

5. Related Party Transactions

a) Included in the period at their exchange amounts are the following items paid or accrued to a director and a company controlled by director of the Company for services provided:

Three months ended January 31,	2006 $	2005 $
Geological consulting fees	12,399	–

b) Included in accounts payable at January 31, 2006, was $10,666 (October 31, 2005 - $5,148) payable to related parties without interest.

c) During the year ended October 31, 2005, the Company received advances of $15,500 from related parties without interest or fixed terms of repayment. During the three months ended January 31, 2006, the advances were repaid in full.

6. Contingencies

The Company is subject to various regulatory and statutory requirements relating to the protection of the environment. These requirements, in addition to contractual agreements and management decisions, result in the accrual of estimated future removal and site restoration costs. Any changes in these estimates will affect future earnings.

Costs attributable to these commitments and contingencies are expected to be incurred over an extended period of time and are to be funded mainly from the Company's cash provided by operating activities. Although the ultimate impact of these matters on net earnings cannot be determined at this time, it could be material for any one quarter or year.

7. Commitments

a) Pursuant to the flow-through common shares issued, the Company is committed to spending $412,500 on qualified expenditures by December 31, 2006. As of January 31, 2006, the Company has expended $319,994 and is committed to expend a further $92,506 by December 31, 2006.

b) The Company is committed to a rental agreement pursuant to a lease as follows:

2006	$ 57,750
2007	63,000
2008	63,000
2009	26,250

7. Commitments (continued)

c) The Company is committed to equipment rental leases as follows:

2006	5,100
2007	6,165
2008	5,719
2009	816
2010	612

d) In the ordinary course of business, the Company enters into contracts which contain indemnification provisions, such as loan agreements, purchase contracts, service agreements, licensing agreements, asset purchase and sale agreements, joint venture agreements, operating agreements, leasing agreements, land use agreements, etc. In such contracts, the Company may indemnify counterparties to the contracts if certain events occur. These indemnification provisions vary on an agreement by agreement basis. In some cases, there are no pre-determined amounts or limits included in the indemnification provisions and the occurrence of contingent events that will trigger payment under them is difficult to predict. Therefore, the maximum potential future amount that the Company could be required to pay cannot be estimated.