

WYN DEVELOPMENTS INC.

QUARTERLY FINANCIAL STATEMENTS

FOR THE THREE- AND NINE-MONTH PERIODS ENDED

OCTOBER 31, 2006 and 2005

WYN DEVELOPMENTS INC.
BALANCE SHEETS
AS AT OCTOBER 31, 2006 AND JANUARY 31, 2006
(in Canadian dollars)

ASSETS	October 31, 2006 (unaudited)	January 31, 2006 (audited)
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Current		
Cash	\$ 325,871	\$ 2,277,429
Accounts receivable	14,839	18,247
Prepaid expense	37,509	10,939
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	378,219	2,306,615
 Capital Assets	 18,167	 -
 Investment in & expenditures on resource properties	 1,506,610	 1,342,685
Oil and gas interests	6,255,969	2,124,854
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	\$ 8,158,965	\$ 5,774,154
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LIABILITIES		
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Current		
Accounts payable and accrued liabilities	\$ 28,886	\$ 146,085
 SHAREHOLDERS' EQUITY		
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Share Capital (<i>Note 4, 6, 8, and 10</i>)	18,136,667	15,137,837
Contributed Surplus (<i>Note 7</i>)	969,270	969,270
Share subscriptions received	14,850	-
Deficit - <i>Statement 2</i>	(10,990,708)	(10,479,038)
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	8,130,079	5,628,069
	<hr/>	<hr/>
	\$ 8,158,965	\$ 5,774,154
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ON BEHALF OF THE BOARD:

 "Dave McMillan" , Director

 "Robert Krause" , Director

- See Accompanying Notes -

WYN DEVELOPMENTS INC.
STATEMENT OF OPERATIONS AND DEFICIT
FOR THE THREE- & NINE-MONTH PERIODS ENDED OCTOBER 31, 2006 and 2005
(in Canadian dollars)
(unaudited)

	Three months ended October 31,		Nine months ended October 31,	
	2006	2005	2006	2005
	\$	\$	\$	\$
Revenues				
Interest revenue	\$ 3,155	\$ -	\$ 18,645	\$ 4,363
General and Administrative Expenses				
Amortization	-	341	-	341
Accounting & udit fees	8,531	-	46,063	863
Bank charges and interest	596	549	1,951	1,348
Consulting fees	4,500	27,000	25,460	97,240
Filing fees	10,626	1,597	33,323	25,421
Investor relations	79,600	2,850	210,924	73,664
Legal fees	14,778	14,531	37,944	35,653
Management fees	15,000	5,000	25,000	11,250
Office expense	10,454	9,070	27,913	48,774
Printing and reproduction	1,808	1,108	2,971	8,802
Rent	5,995	4,500	12,414	19,382
Shareholder relations	14,526	1,755	63,204	18,816
Stock option expense	-	-	-	399,560
Transfer agent	2,090	3,439	15,711	16,387
Travel and entertainment	3,523	2,212	27,437	98,225
Loss Before Other Items	\$ <u>172,027</u>	\$ <u>73,952</u>	\$ <u>530,315</u>	\$ <u>855,726</u>
Net Loss for Year	168,872	73,952	511,670	851,363
Deficit, Beginning of the Period	\$ <u>10,821,836</u>	\$ <u>8,937,893</u>	\$ <u>10,479,038</u>	\$ <u>8,160,482</u>
Deficit, End of the Period	\$ 10,990,708	\$ 9,011,845	\$ 10,990,708	\$ 9,011,845
EARNINGS PER COMMON SHARE:				
	<u>(\$0.003)</u>	<u>(\$0.005)</u>	<u>(\$0.01)</u>	<u>(\$0.02)</u>
Weighted average number of common shares outstanding	<u>64,181,652</u>	<u>55,442,321</u>	<u>61,110,928</u>	<u>50,723,589</u>

- See Accompanying Notes -

WYN DEVELOPMENTS INC.
STATEMENT OF CASH FLOWS
FOR THE THREE- AND NINE-MONTH PERIODS ENDED OCTOBER 31, 2006 and 2005
(in Canadian dollars)
(unaudited)

	Three months ended October 31,		Nine months ended October 31,	
	2006	2005	2006	2005
Cash provided by (used in):				
Cash flows from operating activities:				
Loss for the period	\$ (168,872)	\$ (73,611)	\$ (511,670)	\$ (851,363)
Items not involving cash:				
Amortization	-	341	-	341
Stock option expense	-	-	-	399,560
	<u>(168,872)</u>	<u>(73,611)</u>	<u>(511,670)</u>	<u>(451,462)</u>
Changes in non-cash operating working capital:				
Advances & GST receivable	(985)	41,329	3,408	(4,788)
Prepaid expenses & deposits	-	(137,965)	(26,570)	(138,044)
Accounts payable and accrued liabilities	(34,227)	(20,458)	(117,199)	(3,648)
Cash flows provided by operating activities	<u>(35,212)</u>	<u>(190,705)</u>	<u>(140,361)</u>	<u>(597,942)</u>
Cash flows used for investing activities				
Acquisition of mineral properties	(15,000)	(7,500)	(20,000)	(70,000)
Acquisition of oil & gas properties	-	-	(100,000)	-
Purchase of capital assets	(18,167)	-	(18,167)	(3,413)
Exploration costs deferred – oil & gas properties	(510,246)	(450,503)	(3,880,645)	(861,043)
Exploration costs deferred – mineral properties	(2,041)	-	(64,395)	-
	<u>(545,454)</u>	<u>(458,003)</u>	<u>(4,083,207)</u>	<u>(934,456)</u>
Cash flows used for financing activities				
Due to related parties	-	-	-	(30,845)
Issue of shares for cash (net)	971,175	735,084	2,768,830	3,459,284
Common stock subscriptions received	14,850	100,800	14,850	(830,000)
	<u>986,025</u>	<u>634,284</u>	<u>2,783,680</u>	<u>2,598,439</u>
Increase (decrease) in cash and cash equivalents	\$ 236,487	\$ (14,424)	\$ (1,951,558)	\$ 1,066,041
Cash, beginning of period	<u>89,384</u>	<u>2,289,820</u>	<u>2,277,429</u>	<u>1,209,355</u>
Cash and cash equivalents, end of period	<u>\$ 325,871</u>	<u>\$ 2,275,396</u>	<u>\$ 325,871</u>	<u>\$ 2,275,396</u>

- See Accompanying Notes -

WYN DEVELOPMENTS INC.
INVESTMENT IN AND EXPENDITURES ON RESOURCE PROPERTIES

Expenditures incurred on the Company's resource properties during the nine-month period ended October 31, 2006 are as follows:

	Ferguson Lake Project	Blustry/ Rand Project	Hearne Channel Mineral Claims	Thrust Project	Total
Balance, January 31, 2004	\$150,558	\$ 85,110	\$ -	\$ -	\$ 235,668
Acquisition costs	32,500	32,000	70,400	-	134,900
Exploration costs					
Geology and engineering	162,848	107,531	63,590	-	333,969
Surveys	-	0	98,250	-	98,250
Helicopter and equipment rental	-	48,076	10,846	-	58,922
Camp and supplies	-	15,674	8,657	-	24,331
Travel	-	0	12,422	-	12,422
Staking, recording fees and general	-	9,064	-	-	9,064
Assay and recording	-	-	7,594	-	7,594
Total additions during year	195,348	212,345	271,759	-	679,452
Balance, January 31, 2005	345,906	297,455	271,759	-	915,120
Acquisition costs	-	40,500	185,500	259,500	485,500
Exploration costs					
Geophysics	-	75,643	41,723	152,812	270,178
Helicopter and equipment rental	-	43,000	7,479	92,803	143,282
Staking, recording fees and general	2,250	31,432	34,290	24,977	92,949
Camp and supplies	-	18,786	57,377	9,573	85,736
Drilling	-	0	85,000	-	85,000
Geology and engineering	-	15,338	50,187	16,500	82,025
Site personnel	-	22,217	0	-	22,217
Travel	-	-	9,365	-	9,365
Assay and recording	-	-	5,804	-	5,804
Expense recovery	-	(35,313)	-	-	(35,313)
Total additions during year	2,250	211,603	476,725	556,165	1,246,743
Less: write-off of resource properties	(348,155)	(471,023)	-	-	(819,178)
	(345,905)	(259,420)	476,725	556,165	427,565
Balance, January 31, 2006	\$ 1	\$ 38,035	\$748,485	\$556,165	\$1,342,686
Acquisition costs			100,000	15,000	115,000
Exploration costs					
Assay and recording		330		2,042	2,371
Camp and supplies	-	392	-	-	392
Geology and engineering	-	-	-	45,000	45,000
Helicopters	-	-	-	1,631	1,631
Mining tax credits				(470)	(470)
Balance, October 31, 2006	\$ 1	\$ 38,757	\$848,485	\$619,368	\$1,506,610

WYN DEVELOPMENTS INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2006

1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION

Wyn Developments Inc. (the "Company") was incorporated under the Company Act of British Columbia on February 1, 1984, under the name Broadwater Developments Inc. On April 18, 2000 the Company changed its name to Wyn Developments Inc. The Company is involved with the exploration and development of mining properties and is considered to be a development stage enterprise. The Company presently operates in one geographical area, namely Canada.

The Company is publicly traded and is listed on the TSX Venture Exchange (the "Exchange") in Canada. These financial statements are prepared in accordance with Canadian generally accepted accounting principles.

Interim financial statements

These interim financial statements should be read in conjunction with the audited annual financial statements of the Company for the year ended January 31, 2006. Management has prepared these interim statements using the same accounting policies and methods of computation as those used in the audited annual financial statements.

2. GOING CONCERN

These financial statements have been prepared on a going concern basis, which presumes the realization of assets and the discharge of liabilities in the normal course of business for the foreseeable future.

The Company's ability to continue operations is uncertain and is dependent upon its ability to obtain necessary financing to meet the Company's liabilities and commitments as they become payable and to complete the exploration and development of mining properties, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims and the attainment of future profitable production or sufficient proceeds from the disposition thereof. The outcome of these matters cannot be predicted at this time. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations.

3. COMPARATIVE FIGURES

Certain of the comparative figures are reclassified to conform to the current year's presentation.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Investment in and expenditures on resource properties

Acquisition costs of mineral properties, rights and options together with direct exploration and development expenditures thereon are deferred in the accounts on a property-by-property basis. The expenditures related to a property from which there is production, together with the costs of production equipment, will be depleted and amortized using the unit-of-production method based upon estimated proven reserves. When there is little prospect of further work on a property being carried out by the Company or when minerals cannot be economically removed due to the current market price of the minerals, the costs of the property are charged to operations.

WYN DEVELOPMENTS INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2006

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Use of 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.

(d) Foreign currency translation

Amounts recorded in foreign currency are translated into Canadian dollars as follows:

- (i) Monetary assets and liabilities at the rate of exchange in effect as at the balance sheet date;
- (ii) Non-monetary assets and liabilities at the exchange rates prevailing at the time of the acquisition of the assets or assumption of the liabilities; and
- (iii) Revenue and expenses (excluding amortization, which is translated at the same rate as the related asset) at the average rate of exchange for the year.

Gains and losses arising from this translation of foreign currency are included in the determination of net loss for the year.

(e) Loss per share

Loss-per-share computations are based on the weighted average number of common shares outstanding during the year. Diluted loss per share has not been presented separately as the outstanding options and warrants are anti-dilutive for each of the years presented. Shares held in escrow at year-end that are held based on a contingency other than the passage of time have not been included in the calculation of weighted average number of common shares.

(g) Income taxes

The Company follows the liability method based on the accounting recommendations for income taxes issued by the Canadian Institute of Chartered Accountants. Under the liability method future income tax assets and liabilities are computed based on differences between the carrying amount of assets and liabilities on the balance sheet and their corresponding tax values, using the enacted income tax rates at each balance sheet date. Future income tax assets can also result by applying unused loss carry-forwards and other deductions. The valuation of any future income tax assets is reviewed annually and adjusted, if necessary, by use of a valuation allowance to reflect the estimated realizable amount.

WYN DEVELOPMENTS INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2006

5. FINANCIAL INSTRUMENTS

(a) Fair value

The carrying value of cash, accounts payable, accrued liabilities, loan payable, and due to related party, approximate their fair value because of the short maturity of these financial instruments. Accounts receivable are due mostly from the Canada Revenue Agency with regards to input tax credits for which the Company is entitled to receive from the Goods and Service Tax, which is excluded from the definition of financial instruments.

(b) Interest rate risk

The Company is not exposed to significant interest rate price risk due to the short term maturity of its monetary assets and liabilities.

(c) Credit risk

The Company is exposed to credit risk with respect to its cash, however, the risk is minimized as cash is held at a major financial institution.

(d) Translation risk

The Company is exposed to translation risk to the extent expenditures incurred or funds received by the Company are not denominated in Canadian dollars. The risk is minimized as the Company does not expend, receive, or hold a significant amount of non-Canadian funds.

6. REALIZATION OF ASSETS AND INHERENT RISKS

The investment in and expenditures on resource properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties which are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expense and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

WYN DEVELOPMENTS INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2006

7. INVESTMENT IN AND EXPENDITURES ON RESOURCE PROPERTIES

(a) Ferguson Lake Property

On November 8, 2002 (as amended May 6, 2003 and December 3, 2003), the Company entered into an option agreement with Hunter Exploration Group (“Hunter”). Hunter is the recorded and/or beneficial owner of an undivided 100% interest in and to five separate claims located in the Ferguson Lake area, Kivalliq Region, Nunavut Territory. The Company can earn an undivided 100% interest in the property in consideration of the issuance of 1,100,000 units to Hunter, and the expenditure of \$1,000,000 on exploration and development on the property and the payment of advance royalty payments. Each unit is comprised of one common share of the Company and one share purchase warrant. Each warrant is exercisable into one common share at a price of \$0.20 per share for twelve months and thereafter at a price equal to the trading price prior to the issuance of the warrant. In order to earn its 100% interest in the property, the Company’s option payments to Hunter are to be made as follows:

- (i) Advance royalty payment of \$15,000 upon execution of the agreement (paid);
- (ii) Advance royalty payment of \$15,000 on or before July 1 of each year thereafter (to date \$15,000 paid);
- (iii) Issuance of 1,100,000 units and incurrence of \$925,000 on exploration and development on the property as follows:
 - a. Issuance of 275,000 units on TSX approval (issued);
 - b. Issuance of 275,000 units and incurrence of \$50,000 in exploration expenditures by July 1, 2004 (issued and incurred);
 - c. Issuance of 275,000 units and incurrence of \$275,000 in exploration expenditures on or before December 31, 2004; (this date has been delayed until a technical report outlining a recommended work program has been prepared, which is currently in progress) and
 - d. Issuance of 275,000 units and incurrence of \$600,000 in exploration expenditures on or before December 31, 2005

The Company also issued 42,500 common shares at a deemed price of \$0.10 per share as a finder’s fee to an unrelated third party. The option agreement is subject to a 3% Net Smelter Return Royalty (“NSR”) and a 3% Gross-Over Riding Royalty (“GORR”), (this GORR applies to diamond production only). The Company has the option to purchase 1% of the NSR for the sum of \$1,000,000 and 1% of the GORR for a sum of an additional \$1,000,000.

On July 14, 2003, the Company signed a letter of intent with Starfield Resources Inc. (“SRU”) whereby SRU can earn a 50% interest in the Company’s Ferguson Lake property, and become the operator of the project. Terms of the agreement are as follows:

- (i) The Company’s underlying agreement with Hunter calls for \$1,000,000 in expenditures over three years. To earn its 50% interest SRU must expend \$500,000 over the next three years and the Company must concurrently spend \$487,715, as per the following schedule:

WYN DEVELOPMENTS INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2006

7. INVESTMENT IN AND EXPENDITURES ON RESOURCE PROPERTIES (Continued)

Due date	Wyn	SRU	Total
Dec. 31, 2002	\$12,285	\$0	\$12,285 (paid)
Dec. 31, 2003	50,000	0	50,000 (paid)
* Dec. 31, 2004	137,715	200,000	337,715
Dec. 31, 2005	300,000	300,000	600,000
	\$500,000	\$500,000	\$1,000,000

- (ii) SRU must contribute an additional \$75,000 in 2004 which is approximately 50% of the value of the 1,100,000 shares the Company has to issue to Hunter under the aforementioned agreement above;
- (iii) SRU must pay 50% of the advanced royalty to Hunter each year as follows:

Due date	Wyn	SRU	Total
July 1, 2002	\$ 25,000	\$ 0	\$ 25,000 (paid)
July 1, 2003	0	5,000	5,000 (paid)
July 1, 2004	0	15,000	15,000 (paid)
* July 1, 2005	5,000	10,000	15,000
	\$ 30,000	\$ 30,000	\$ 60,000

* No report has been received by Wyn from Starfield, therefore these payments have not been made.

Upon completion of the above option payments, SRU will have earned a 50% interest in the Ferguson Lake claim. SRU shall also have the right to purchase 50% of the Company's right to buy back 1% of the NSR for the sum of \$500,000. SRU will also have the right to purchase 50% of the Company's right to buy back 1% of the GORR for the sum of \$500,000.

During the year ended January 31, 2006, given minimal exploration activity, the Company wrote-down its investment in the Ferguson Lake Property.

(b) Blustry Mountain Project

On July 1, 2003 (as amended January 1, 2004), the Company signed a letter of intent whereby the Company has been granted an option to acquire a 100% interest in 70 units, comprising approximately 3,640 acres in the Clinton Mining Division, British Columbia and referred to as the Blustry Mountain Project. The property is located 18 kilometres southeast of Lillooet within the Fountain-Lytton ranges of southern British Columbia.

In order to exercise the option, the Company must undertake an exploration work program of \$1,000,000, issue an aggregate of 350,000 common shares of the Company, and make option payments totalling \$120,000 over a four-year period as follows:

- (i) Payment of \$10,000 on or before July 1, 2003 (paid);
- (ii) Payment of \$15,000 (paid), issuance of 50,000 common shares (issued) upon signing amended agreement on January 1, 2004;
- (iii) Payment of \$10,000 on or before July 1, 2004 (paid);
- (iv) Incurring expenditures on the claims of \$100,000 by July 31, 2004 (incurred);

WYN DEVELOPMENTS INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2006

7. INVESTMENT IN AND EXPENDITURES ON RESOURCE PROPERTIES (Continued)

- (v) Payment of \$10,000 (paid), issuance of 50,000 common shares (issued), and incurring expenditures on the claims of an additional \$200,000 by December 31, 2004 (the Company has received a verbal extension on this date such that all obligations will be caught up as of July 1, 2006);
- (vi) Payment of \$15,000 on or before July 1, 2005; \$7,500 paid July/05, balance paid October/05
- (vii) Payment of \$15,000, issuance of 100,000 common shares, and incurring expenditures on the claims of an additional \$300,000 by December 31, 2005;
- (viii) Payment of \$25,000 on or before July 1, 2006; and
- (ix) Payment of \$25,000, issuance of 100,000 common shares, and incurring expenditures on the claims of an additional \$400,000 by December 31, 2006.

The claims are subject to a 2.5% NSR. The Company has the option to purchase 1.5% of the NSR for a lump sum of \$1,500,000 upon or prior to commencement of commercial production (thereby reducing the NSR to 1%).

In addition, should a positive feasibility be completed and/or any commercial production attained, a bonus of 650,000 common shares of the Company shall be payable to the optionors within 12 months of the event. As well, an advance on royalties of \$20,000 per year is payable to the optionor, commencing October 1, 2008.

During the year ended January 31, 2006, due to various difficulties encountered in regards to continued exploration efforts, the Company wrote-down its investment in Blustry Mountain Project.

(c) Rand Property

On October 14, 2003, the Company acquired a 100% interest in an additional 668 mineral property units adjacent to the Blustry Mountain Project known as the Rand Property. The claims cover approximately 16,700 hectares tying onto the north and south of the Blustry Mountain Project in the Clinton Mining Division of southwest British Columbia. The property is located approximately 18 kilometres southeast of Lillooet within the Fountain-Lytton mountain ranges.

Under the terms of the agreement the Company paid for reimbursement of staking costs in the amount of \$28,789, and issued 2,000,000 warrants. Each warrant is exercisable into one common share of the Company at a price of \$0.15 per share at anytime over a two year period until October 14, 2005, of which 1,800,000 were exercised and the balance of 200,000 expired. In addition, 1,000,000 bonus common shares of the Company are payable should an economically feasible deposit containing greater than 500,000 ounces gold-silver be placed into production from the claims.

As part of the inclusive sale price, the optionor will provide geological consulting services for the claims and will maintain the claims in good standing for a period of 12 months with fees to be advanced by the Company prior to the anniversary dates. Additionally, for a period of 36 months from the date of signature of this agreement, and except for mining claims owned at the date of signature of this agreement, the optionor grants the Company the right to purchase any mining claims owned or purchased by the Company located within a one-mile distance from any of the claims purchased in the Rand Property for a price equivalent to the cost of acquiring such claims by the optionor.

WYN DEVELOPMENTS INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2006

7. INVESTMENT IN AND EXPENDITURES ON RESOURCE PROPERTIES (Continued)

The claims are subject to a 2% NSR. The Company has the option to purchase 1% of the NSR for a lump sum of \$1,000,000 within 12 months from commencement of commercial production. Advance royalties of \$25,000 shall be paid annually commencing October 14, 2008.

(d) Hearne Channel Property/ Coni Mineral Claims

On March 21, 2004, Company has entered into an option agreement with Impala Resource Service Ltd. ("Impala"), to purchase a 100% interest in certain mineral claims known as the Coni mineral claims which comprises approximately 4,000 acres in the Hearne Channel area located some 135 kilometers southeast of Yellowknife, Northwest Territories, subject to regulatory approval (received subsequent to year end), in consideration of the following:

- (i) cash payments totalling \$30,000 and share issuances totalling 600,000 common shares of the Company to be paid and or issued as follows:
 - a) Payment of \$10,000 on or before the 5th business day following regulatory approval (approval received May 14, 2004); (paid);
 - b) Issuance of 200,000 common shares on or before May 14, 2004 (issued);
 - c) Payment of \$10,000 on or before May 14, 2005; (paid);
 - d) Issuance of 200,000 common shares on or before May 14, 2005; (issued);
 - e) Payment of \$10,000 on or before May 14, 2006; (paid);
 - f) Issuance of 200,000 common shares on or before May 14, 2006; (issued)

An annual royalty equal to 2% of the Net Smelter Return, as defined in section 1(c) of the Agreement, subject only to the Company's option to purchase ½ of the Net Smelter Return (1%) for a one time payment of \$1,000,000.

(e) Duffy and Easter Claims

- (i) The Company has acquired the right to earn 100% interest in a group of claims (Duffy 1 and 2 and the Easter 1, 2, and 3 claims) on Easter Island encompassing approximately 2500 Acres, 70 miles southeast of Yellowknife, Northwest Territories by paying a total of \$30,000 and 650,000 shares in staged payments over time. This property covers a geological environment similar to Wyn's Hearne Channel nickel – cobalt project, some 50 kilometers northeast.
- (ii) On February 23, 2005, the Company entered into an option agreement with WGT Consultants (NWT) Ltd. ("WGT") wherein the Company will acquire the right to earn a 100% interest in a group of claims on Easter Island (Duffy 1 and 2, and Easter 1, 2 and 3), encompassing approximately 2,500 acres and located 70 miles southeast of Yellowknife, Northwest Territories, in consideration of the following:

The Company will pay to WGT:

- \$10,000 cash on or before the fifth business day following acceptance of the Agreement by the TSX (the "Effective Date") (paid);
- \$10,000 cash on or before the date 12 months following the Effective Date (February 2006); (paid) and

WYN DEVELOPMENTS INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2006

7. INVESTMENT IN AND EXPENDITURES ON RESOURCE PROPERTIES (Continued)

- \$10,000 cash on or before the date 24 months following the Effective Date (February 2007)

The Company will issue to WGT:

- 250,000 common shares on or before the Effective Date (issued);
- 200,000 common shares on or before the date 12 months following the Effective Date (February 2006); (issued), and;
- 200,000 common shares on or before the date 24 months following the Effective Date (February 2007)

(f) Thrust Project

On April 25, 2005, the Company entered into an option agreement with United Exploration Management Inc. ("United") to acquire a 100% interest in and to 151 mineral claims located in the Liard Mining Division, subject to the NSR royalty in consideration of \$75,000 in property payments and the issuance of 1,350,000 shares to United as follows:

(i) The Company shall earn the interest by:

- paying \$25,000 to United upon the execution hereof (paid);
- paying \$50,000 property payment to United on the sooner of the TSX approval or August 1, 2005 (paid); and
- paying \$15,000 advance royalty payments to United on or before July 1 of each year starting 2006.

(ii) Issuing 1,350,000 shares to United as follows:

- 450,000 shares on or before July 1, 2005, subject to TSX acceptance (issued);
- 450,000 shares on or before July 1, 2006; and
- 450,000 shares on or before July 1, 2007.

The Company shall issue to United 1,500,000 shares upon the completion of a positive feasibility report recommending that the Property be put into production. These shares shall also be issued in the event of a takeover or merger of the Company or the Project prior to the Company attaining commercial production.

The investment in and expenditures on resource properties comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties, which are explored, are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

WYN DEVELOPMENTS INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2006

8. OIL AND GAS INTERESTS

Bougie Trutch Oil & Gas Property

The Company has entered into a participation agreement (the "Agreement") with Tenaka Drilling Consortium Ltd. ("Tenaka") in the form presented to the directors and dated as of December 6, 2004, wherein the Company has been granted the right to participate in the drilling and completion of a test well on the Bougie/Trutch area prospect in north eastern British Columbia in order to earn:

- (i) a 15% working interest in the well and the Slave Point to basement zones in 26 sections of land (the "Farmout Lands") subject to a 3% GORR with respect to the Slave Point to basement zones;
- (ii) a 15% working interest in all zones from surface to a depth shallower than the top of the Slave Point formation in the Spacing Unit of the Test Well subject to a convertible GORR of net 3% together with a 7.5% working interest in five additional contiguous sections (the "Earning Block");
- (iii) the right to participate with Tenaka for one year from the Test Well rig release in the drilling of such additional well as Tenaka may elect to drill (the "Option Well") on any block not earned by the Test Well to earn a 15% working interest in the Earning Block on the same terms as the Test Well; and
- (iv) the right to participate in the drilling of wells (the "Joint Wells") proposed by Tenaka over a period of six months from the earning in the Test Well on the Farmout Lands or the Earning Block; in consideration for which:
 - (v) The Company paid:
 - (a) \$25,000 as a non-refundable fee for a right of first refusal; (paid);
 - (a) \$50,000 upon the signing of the Agreement; (paid);
 - (b) \$1,221,000 upon receipt of a cash call for the drilling of a test well, representing 15% of the total cost of drilling the test well; (paid);
 - (c) upon receipt of a cash call, its proportionate share of the drilling, completion and tie in costs of any Option or Joint Wells; (paid)
 - (vi) The Company issued to Tenaka:
 - (a) 300,000 common shares upon execution of this Agreement; (issued);
 - (b) 300,000 common shares upon spudding of the test well (issued); and 375,000 common shares upon tie-in of the test well. At this time the Company will also issue 375,000 common share purchase warrants, exercisable for a period of two years at the maximum discount allowed by the TSX Venture Exchange (not completed due to abandonment of well). The exercise price of the warrants will be determined at the time of issuance of shares on the tie-in of the test well.

In connection with the acquisition, the Company paid a finder's fee to Gatmar Management Corporation ("Gatmar") of 402,692 common shares of the Company (the "Finder's Fee") for introducing the project to the Company (issued).

WYN DEVELOPMENTS INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2006

9. DUE TO RELATED PARTY / RELATED PARTY TRANSACTIONS

The amount due to a director of the Company is unsecured, non-interest bearing, and with no specific terms of repayment. These charges were measured by the exchange amount, which is the amount agreed upon by the transacting parties and are on terms and conditions similar to non-related entities.

Included in management fees is \$25,000 (2006 - \$11,250) paid to a company controlled by a director/officer for management services during the year.

10. CAPITAL STOCK

(a) Authorized

Unlimited common shares without par value

(b) Issued and outstanding

	Number	Amount
Authorized:		
Unlimited common shares without par value		
Issued and fully paid:		
Balance - January 31, 2005	41,363,576	\$ 10,445,087
Issued for cash - Private placements	4,483,223	1,613,960
Issued for property		
For Blustry Mountain (note 6(b))	250,000	45,500
For Hearne Channel (note 6(d))	450,000	175,500
For Bougie/Trutch Property (note 7(a))	300,000	120,000
For Thrust Project (note 6(f))	450,000	184,500
Issued for cash - Exercise of warrants	7,835,000	1,890,450
Issued for cash- Exercise of stock options	2,515,000	367,200
Transferred from contributed surplus on exercised stock options	-	356,516
Share issuance costs	-	(60,876)
Balance - January 31, 2006	57,646,799	\$ 15,137,837
Issued for cash - Private placement @ \$0.38	3,914,315	1,487,440
Issued for cash - Private placement @ \$0.45	1,056,000	475,200
Issued for property - Oil & gas	384,616	150,000
Issued for property - Mineral	400,000	80,000
Issued for cash - Options exercised	675,000	121,500
Issued for cash - Private placement @ \$0.35	2,748,571	962,000
Return to treasury	(100,000)	(36,000)
Cancellation of escrow shares	(250,000)	-
Share issuance costs	-	(241,310)
Balance - October 31, 2006	66,575,301	\$ 18,136,667

(c) Contributed surplus represents the accumulated stock option compensation benefits incurred in the prior year.

WYN DEVELOPMENTS INC.
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2006

10. CAPITAL STOCK (Continued)

(d) Stock options

During the year ended January 31, 2004, the Company received regulatory and shareholder approvals for its stock option plan (the "Plan"). The Plan is effective until 2013 unless earlier terminated. The Plan is administered by the Directors of the Company. The Directors have full power to grant options, the number of options, to determine the terms, limitations, restrictions and conditions respecting such options. Options may be granted to employees, senior officers, directors, non-employee directors, management company employees and consultants of the Company and its affiliates who are, in the opinion of the Directors, in a position to contribute to the success of the Company. Stock options must be non-transferable and the aggregate number of shares that may be reserved for issuance may not exceed 10% of the issued shares at the time of grant and to each individual may not exceed 5% of the issued shares (2% to an employee conducting investor relations activities or to any consultant in a 12 month period). The price per optioned share shall be determined by the Directors and shall not be less than \$0.10 per share, and will be subject to a maximum discounted market price formula. The option period shall not exceed five years from the date the option is granted. Options granted to an optionee who is a director, senior officer, employee, consultant must expire within 90 days after the optionee ceases to be in at least one of those categories and options granted to an optionee who is engaged in investor relations activities must expire within 30 days after the optionee ceases to be employed to provide such services, except in the case of death in which case they terminate after one year. Vesting of the options is determined by the Directors at the grant date, however options issued to consultants engaged to perform investor relations activities must be subject to a vesting requirement, whereby options vest in stages over 12 months with no more than 25% of the options vesting in any three month period.

The Company applies the fair value method using the Black-Scholes options pricing model in accounting for options.

The fair value of each option grant is calculated using the following weighted average assumption:

Expected life (years)	2.00
Interest rate	2.00%
Volatility	16.98%
Dividend yield	0.00%

As at October 31, 2006 the following share purchase options were outstanding:

Expiry Date	Exercise Price	Number of Shares	
		2006	2005
February 14, 2007	\$0.36	550,000	550,000
March 11, 2007	\$0.41	650,000	800,000
September 20, 2007 (cancelled 150,000)	\$0.385	2,400,000	2,550,000
March 30, 2008	\$0.39	350,000	-
June 21, 2008	\$0.39	1,150,000	-
		5,100,000	4,575,000

WYN DEVELOPMENTS INC.
NOTES TO FINANCIAL STATEMENTS
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10. CAPITAL STOCK (Continued)

(e) **Share Purchase Warrants**

As at October 31, 2006 the following share purchase warrants were outstanding:

Expiry Date	Exercise Price Per Share	Number of Shares	
		2006	2005
February 8, 2006	\$0.42	-	2,222,223
March 17, 2006	\$0.42	-	300,000
November 29, 2006	\$0.45	980,500	980,500
May 25, 2007	\$0.50	528,000	-
May 25, 2007	\$0.50	1,957,158	-
September 29, 2007	\$0.45	2,748,571	-
November 28, 2007	\$0.45	7,695,000	-
November 28, 2007	\$0.50	501,000	-
		14,410,229	3,502,223

(f) Escrow shares

A total of 510,000 shares are currently held in escrow with 255,000 to be released on each of the following dates:

February 16, 2007
August 16, 2007

11. SUBSEQUENT EVENTS

THE BOUGIE TRUTCH NATURAL GAS DEVELOPMENT PROJECT

As previously reported, the two “Halfway” wells drilled in December 2005 and January 2006 at Bougie Trutch were successful, as the Operator tested and set production casing on both wells. The BC Oil and Gas Commission also confirmed that the c-36-A well proved the existence of a new gas pool. In the upcoming 2006/2007 winter season, the Company will be building upon this success by drilling two additional “Halfway” formation delineation wells near the original C-36-A well. If successful, these three wells should be tied-in for production by March 2007.

THE TRUTCH EAST PROPERTY

The Trutch East is located in the prolific natural gas producing Western Canadian Sedimentary Basin in northeastern British Columbia on trend with the East to West industry expansion of pipeline and support infrastructure. The Trutch East lands consist of 15 sections (district spacing units) of which at least 12 hold the potential for a total of up to 24 Triassic Halfway development wells (upon half-spacing drilling targets). The property adjoins the Company’s 26 square-mile Bougie Trutch lands and is situated between the successful c-36-A/94-G-15 Triassic Halfway Discovery well and the Tommy Lake Triassic Halfway Field. Possible undeveloped reserves for the Trutch East are estimated at 60 billion cubic feet (Bcf) of natural gas in the Triassic Halfway Formation based on both 2D and 3D seismic interpretation.

WYN DEVELOPMENTS INC.
NOTES TO FINANCIAL STATEMENTS
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11. SUBSEQUENT EVENTS (continued)

Under the terms of the Trutch East Participation Agreement (the "Participation Agreement"), the Company will have the right to earn a 15% rolling working interest in 15 sections of the Trutch East lands. This rolling interest will include all zones from the surface through to the Halfway horizon. By participating in the c-25-A/94-G-15 Triassic Halfway development well, the Company will earn the right to participate in additional option wells on the property. The Company will earn each section drilled plus an additional section (of the original 15), as well as the opportunity to participate in the option well (and earning blocks) that follow.

Upon the execution of this Participation Agreement the Company will issue the Farmor, Tenaka Drilling Consortium, both cash and non-assessable common shares as finders' fees at three defined stages in the following amounts:

- (a) CAD \$3,000 non-refundable deposit upon signing the Right of First Refusal (paid).
- (b) CAD \$6,000 non-refundable deposit upon execution of the Participation Agreement (paid).
- (c) CAD \$36,000 in stock. The shares issued will be based on the average market price based on the previous ten (10) days from execution of the Participation Agreement (issued).

WINTER NATURAL GAS DEVELOPMENT PLANS

Completion and testing continues on the Prophet River d-60-E/94-G-15 Devonian Slave Point Exploratory well and results are anticipated in late January 2007.

Recent consultations with Focus Energy Trust (FET), the Operator of both the Bougie Trutch and Trutch East Triassic Halfway development programs, confirm that if weather permits drilling will commence on both the b-56-A/94-G-15 (c-36-A offset - Bougie-Trutch West Block) and the c-25-A/94-G-15 (Trutch East Block) wells late November 2006. Halfway drilling typically requires seven to ten days to reach total depth and an additional two weeks for completion. Pipeline expansions from the Tommy Lake field through the Trutch East lands and into the Bougie Trutch property have been finalized. If successful, these expansions will tie-in wells c-36-A, b-56-A, and c-25-A for production early in Q1 2007 if weather permits.

NON – BROKERED PRIVATE PLACEMENT

The Company has completed the private placement announced October 25, 2006 in the amount of 501,000 flow-through units of the Company at a price of \$0.45 per unit and 7,695,000 non flow-through units of the Company at a price of \$0.35 per unit for gross proceeds of \$2,918,700. Each flow-through unit is comprised of one flow-through common share and one share purchase warrant entitling the holder to purchase one additional non flow-through common share at a price of \$0.50 for a period of 12 months. Each non flow-through unit is comprised of one non flow-through common share and one share purchase warrant entitling the holder to purchase one additional non flow-through common share at a price of \$0.45 for a period of 12 months.

The shares and underlying shares are subject to hold periods expiring March 30, 2007. The Company paid finder's fees in the amount of \$207,120 in connection with the private placement.

The proceeds of the private placement will be used to fund the Company's ongoing resource exploration, development and general working capital.