

**YORBEAU RESOURCES INC.**  
**(“Yorbeau” or the “Company”)**

**Management's Discussion and Analysis**  
**for the period ended March 31, 2006**

*The following discussion and analysis was prepared as at May 12, 2006 and should be read in conjunction with the interim financial statements of the Company for the period ended March 31, 2006 and the notes thereto and the annual financial statements of the Company for the year ended December 31, 2005 and the notes thereto.*

*Certain statements contained in this discussion and analysis constitute forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in these forward-looking statements are based on reasonable assumptions but no assurance can be given that these expectations will prove to be correct.*

General

During the period ended March 31, 2006, the Company completed the first phase of its drilling program on the Rouyn property, which was intended to test the Larder Lake Break at a vertical depth of approximately 300 meters below surface. Management of the Company considers the results from this drilling program as extremely encouraging. In addition to the highly significant gold values intersected by the first four holes over a strike length of 350 metres (see press releases of January 4, 19 and 26, 2006 for details), two holes have intercepted zones nos. 3 and 4 which consist of sulfide or “flow” type mineralization. This is regarded as very significant as these zones present the same style of alteration and mineralization and are located on the same geological structure as that which contained the most prolific no. 21 zone in the Kerr-Addison mine. The comparison with the Kerr-Addison property is now greatly enhanced with the types and behaviour of mineralization on the two properties having very strong similarities. At the Kerr-Addison, “flow” ore was first encountered at a depth of 250 meters but reached its major development at vertical depths from 300 to 1,300 meters. As the gold grade in zones nos. 3 and 4 is also believed to increase at depth, the Company is currently carrying out a second phase of its drilling program which is intended to test these structures at a vertical depth of approximately 700 meters.

Results of operations

During the period ended March 31, 2006, the Company recorded a net loss of \$155,837 compared to a net loss of \$164,859 for the corresponding period in the previous year. This represents a net loss of \$0.01 per share. Interest revenue for the three months ended March 31, 2006 was of \$11,658 (compared to \$243 for the corresponding period in the previous year) as a result of interest earned on funds raised by way of a rights offering in December 2005. The expenses for the period totalled \$167,495 compared to \$165,102 for the period ending March 31, 2005. During the period, the Company incurred a total of \$379,061 in exploration

expenses (compared to \$105,052 for the corresponding period in the previous year), of which \$377,551 were spent on the Rouyn property and \$1,510 were spent on the Beschefer property.

### Summary of quarterly results

The following table sets forth selected quarterly financial information for each of the eight most recently completed quarters:

<u>Quarter ending</u>	<u>Revenue</u>	<u>Net profit (loss)</u>	<u>Net profit (loss) per share, basic and diluted</u>
March 31, 2006	\$11,658	\$(155,837)	\$(0.01)
December 31, 2005	\$3,550	\$(100,761)	\$(0.01)
September 30, 2005	\$100	\$(240,395)	\$(0.01)
June 30, 2005	\$241	\$(236,379)	\$(0.01)
March 31, 2005	\$243	\$(164,859)	\$(0.01)
December 31, 2004	\$3,179	\$(127,055)	\$(0.01)
September 30, 2004	\$2,213	\$(209,464)	\$(0.01)
June 30, 2004	\$4,647	\$(239,173)	\$(0.01)

The financial statements for the periods indicated above have been prepared in accordance with Canadian generally accepted auditing principles.

### Liquidity

The Company has financed its operations almost exclusively through the sale of its shares and will continue to do so for the foreseeable future.

As at March 31, 2006, the Company had cash and short-term deposits of \$1,312,029 compared to \$1,827,176 as at December 31, 2005. Working capital as at March 31, 2006 was \$1,422,749 compared to \$1,923,074 as at December 31, 2005. The decrease in working capital is a result of corporate expenses and the Company's ongoing costs related to its exploration programme on the Rouyn Property.

### Transactions with related parties

David Crevier, the chairman and a director of the Company is a partner of Colby, Monet, Demers, Delage & Crevier L.L.P., a law firm which has rendered legal services to the Company in an amount of \$47,210 for the three month period ended March 31, 2006.

For the same period, a sum of \$12,500 was paid as an advance royalty payment to Société Minière Alta Inc., of which G. Bodnar Jr., the president of the Company, is the sole shareholder.

During the same period, consulting services were also provided to the Company by 844350 Ontario Limited in an amount of \$24,688. Guy Hinse, a former resident geologist at Kerr Addison Mines Limited and a director of the Company, is the president and the controlling shareholder of 844350 Ontario Limited.

Outstanding Share Data

The authorized share capital of the Company consists of an unlimited number of Class A common shares of which 98,575,501 were issued and outstanding as at March 31, 2006. The Company also has options outstanding to purchase a total of 5,050,000 shares at prices ranging from \$0.155 to \$0.45 per share.

Additional information

Additional information on the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).