

MANAGEMENT'S DISCUSSION AND ANALYSIS

As at March 23, 2007

The following management's discussion and analysis ("MD&A") of the results of operations and financial condition of Murgor Resources Inc. ("Murgor" or the "Corporation") and its wholly owned subsidiary Murgor Exploraciones S.A.C. for the three month period and nine-month periods ended January 31, 2007, 2006 and 2005 should be read in conjunction with the Corporation's audited financial statements and the related notes. The consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in Canada and are reported in Canadian dollars unless otherwise noted.

The Corporation's shares are listed for trading on the TSX Venture Exchange under the trading symbol MUG. Additional information on Murgor can be found on SEDAR (www.sedar.com) and on Murgor's web site (www.murgor.com).

FORWARD LOOKING STATEMENTS

Except for historical information, this contains forward-looking statements relating to, among other things, regulatory compliance, and the sufficiency of current working capital, the estimated cost and availability of funding for the acquisition of properties and the continued exploration and development thereof. Such statements reflect current views of Murgor with respect to future events and are subject to certain risks, uncertainties and assumptions. Estimates provided for fiscal 2007 and beyond are based on assumptions of future events and actual results could vary significantly from these estimates. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the corporation.

OVERVIEW

Murgor is a mining exploration corporation with a focus on Zinc, Copper and Gold exploration in Canada. The Corporation's *short to mid term exploration – development strategy* includes the acquisition of advanced, near production mineral deposits to bring into production. Meanwhile, the Corporation continues to acquire and explore highly prospective grassroots mining properties in historically prolific greenstone belts in Canada to enhance its current resources. As of September 12, 2006, Murgor signed a series of agreements with HudBay Minerals to acquire resources with NI 43-101 Inferred resources estimated at 7,798,000 metric tonnes containing 143,150,000 pounds of copper, 430,251,000 pounds of zinc, 221,000 ounces of gold and 2,526,000 ounces of silver.

On December 14, 2006, the Corporation completed a private placement for gross proceeds of \$6,000,000. At the closing, Murgor issued 16 million flow-through units, for gross proceeds of \$4 million. Each flow-through unit consists of one flow-through common share and one-half of a common share purchase warrant. Each full warrant entitles the holder to acquire one additional common share at a price of \$0.35 for a period of 18 months from the closing date. Murgor also issued 10 million non-flow-through units, for gross proceeds of \$2 million. Each unit consists of one common share and one-half of a common share purchase warrant. Each full warrant entitles the holder to acquire one additional common share at a price of \$0.30 for a period of 24 months from the closing date. In connection with this financing, Murgor issued 2,340,000 broker units exercisable at \$0.20 for a 24 month period from the closing date. Should these broker units be exercised, an additional 1,170,000 warrants exercisable at \$0.30 would be issued and would expire on the same date as the original warrants.

With this financing, Murgor is now in a position to explore the Flin Flon belt properties at an accelerated pace in order to meet its earn-in commitments as soon as possible. Murgor's objective is to complete its earn-in commitments within two years.

MINING PROPERTIES

In the last few months, Murgor's exploration activities concentrated on its new acquisitions from HudBay Minerals Inc. in the Flin Flon belt of northern Manitoba and Saskatchewan. Since the signing of six option agreements with HudBay Minerals Inc. in September and October of 2006, the Corporation's exploration activities have included (results pending on all activities):

- 31 drill holes completed on the Wim and Hudvam properties for a total of 7,730 meters,
- 775 kilometres of line cutting,
- 273 kilometres of INFINITEM ground geophysics, and
- 4,180 kilometres of VTEM helicopter borne geophysics.

During that period Murgor has also completed three National Instrument 43-101 compliant resource estimates at the Fon, Hudvam and Wim deposits. All three resource estimates confirm a larger copper-zinc-gold resource than reported previously in historical data. The total NI 43-101 Inferred resource at the three deposits now stands at:

DEPOSIT	TONNAGE (Tonnes)	GRADE				CONTAINED METAL			
		Cu	Zn	Au	Ag	Cu (lbs)	Zn (lbs)	Au (oz)	Ag (oz)
WIM*	2,062,000	1.92%	0.26%	1.65 g/t	5.58 g/t	87,333,000	11,943,000	110,000	370,000
HUDVAM*	1,193,000	1.17%	1.71%	2.94 g/t	10.49 g/t	30,778,000	44,720,000	111,000	403,000
FON**	4,543,126	0.25%	3.73%	-	10.88 g/t	25,039,440	373,588,445	-	1,752,761
TOTAL ***	7,798,000					143,150,000	430,251,000	221,000	2,526,000

* Based on 2% Copper equivalent cut-off grade. Base case Inferred Resource estimate based on assumed underground mining methods.

**Based on 1% Zinc cut-off grade. Tonnage converted to metric tonnes.

***Figures rounded to nearest 1,000.

Other highlights of Murgor's activities during the last few months include two important transactions whereby the Corporation sold its 100% owned Barry Gold Deposit to Metanor Resources Inc. and optioned a portion of its Windfall property (held jointly and equally with Freewest Resources Canada Inc.) to Noront Resources Ltd. The terms of the agreements are summarized below.

Murgor – Metanor transaction at Barry:

On December 12, 2006, Murgor announced that it had signed an agreement with Metanor Resources Inc. to sell six claims of Murgor's 100% owned Barry I property. The six claims contain the Barry Gold Deposit where NI 43-101 compliant inferred and Indicated resources currently stand at 719,000 metric tonnes at an average grade of 4.46 g/t gold, containing 103,100 ounces of gold.

The objective of the agreement is to bring the deposit to production within two years. Under the terms of the agreement:

- Metanor paid \$200,000 cash to Murgor,
- Metanor will issue 416,666 shares of Metanor to Murgor based on a price of \$0.60 per share for a total value of \$250,000, as an advance on royalties payable to Murgor upon production of the deposit.
- Metanor will pay \$250,000 cash on January 1st, 2008 or 30 days after obtaining the necessary permits to develop the Barry deposit as an advance on royalties payable to Murgor upon production of the deposit.
- Upon production Metanor will pay a royalty to Murgor equal to 9% of the proceeds from the sale of gold.
- Advances on royalties will be reimbursed to Metanor upon 50% of Murgor's first profits upon production.

Metanor must start production at Barry before December 12, 2008, or return the claims to Murgor free of any liens or charges. The property is subject to a 2% NSR payable to the Societe de Development de la Baie James (SDBJ) that will be assumed by Metanor.

Murgor – Freewest = Noront transaction at Windfall:

On February 5th, 2007, Murgor signed an option agreement with Noront Resources Ltd. and Freewest Resources Canada Inc. whereby Noront can earn a 50% interest in 29 claims of Murgor and Freewest's Windfall Property. Murgor and Freewest retain a 100% interest in 184 claims of the Windfall property including the NE extension of the gold bearing structures where a drilling program is planned before the spring of 2007.

Noront's objective is to test and sample gold zones F-11 and F-17, previously discovered by Murgor and Freewest, with an underground exploration ramp that would start on the newly optioned ground. The ramp will also provide access to a number of deeper mineralized zones on the Noront property.

Under the terms of the agreement, Noront will issue a total of 750,000 common shares of Noront to the Murgor-Freewest joint venture upon regulatory approval and will incur exploration expenditures estimated at \$4 million, in order to earn a participating 50% interest in the claims. Noront may earn an additional 10% participating interest providing a positive feasibility study. Should either party fail to contribute in the 60-40 partnership the non participating party's interest will be diluted by a standard abatement clause down to a 10% interest and automatically thereafter reduced to a 2% Net Smelter Return (NSR) of which 1% interest may be purchased by the contributing party in whole or in part for \$1 million.

FUTURE EXPLORATION:

In the following months, Murgor will continue to focus on its HudBay options in Manitoba and Saskatchewan. Another 13,000 metres of drilling is planned before the end of 2007 along with the completion of ground geophysical surveys, programs of geological mapping, geochemical sampling and mechanical trenching.

In Quebec, Murgor is contemplating a short drilling program at the Windfall property to test the NE extension of a spectacular new mineralized zone grading **1327.9 g/t over 4.80 metres** by Noront Resources Ltd. (see Noront Press Release dated December 01, 2006). Murgor may also carry-out follow-up work at the Nelligan property where a channel sample yielded assays of **124 g/t Au over 2.53 metres** in the fall of 2006.

QUEBEC

THE BARRY PROPERTY:

The Barry property is located approximately 100 km east of the town of Lebel-Sur-Quevillon and 180 km southwest of the town of Chibougamau in the Province of Quebec. The property consists of 255 claims covering 4,011 ha. The bulk of the property is held jointly by Murgor Resources and Freewest Resources Canada Inc., except for 14 claims (224 Ha) at the heart of the property, which are wholly-owned by Murgor. The Barry Au Deposit is located on ground that is 100% owned by Murgor. On December 12, 2006 Murgor sold six claims covering the Barry deposit to Metanor Resources Inc.

BARRY PROPERTY EXPLORATION:

The most recent resource estimate at Barry (not including Gold Zones 48 and 45) is summarized below:

RESOURCE CATEGORY	TONNAGE	GRADE (g/t)	CONTAINED GOLD
Indicated Resource	269,000 mt	4.10 g/t Au	35,500 oz.
Inferred Resource	450,000 mt	4.68 g/t Au	67,600 oz.

*The resources were calculated using a cut-off grade of 2.0 g/t Au and a specific gravity of 2.80 g/cm³, in a mineralized zone lying from surface to a vertical depth of 50 meters, over a strike length of approximately 500 meters.

Fifty (50) drill holes have been completed on the deposit since this latest NI 43-101 resource estimate but on December 12, 2006, the Corporation elected to sell the deposit to Metanor Resources Inc. while retaining a 9% NSR (see beginning of the section on Mining Properties above).

The objective of the agreement is to bring the deposit to production within two years. If Metanor doesn't proceed to mining of the deposit within two years, the deposit will return to Murgor.

CURRENT AND FUTURE EXPLORATION WORK AT THE BARRY PROPERTY:

Murgor did not carry out any exploration work at the Barry Property during the third quarter of fiscal year 2007, or during the months that followed. The Corporation is not planning any work on the remaining parts of the Barry property in the immediate future. Murgor is currently seeking partners to continue exploring the rest of this highly prospective property while it is concentrating its efforts on the exploration of its Flin Flon belt properties.

THE WINDFALL PROPERTY:

The Windfall property is located approximately 100 km east of the town of Lebel-Sur-Quevillon and 180 km southwest of the town of Chibougamau in the Province of Quebec. The property which consists of 213 claims and covers 8,995 ha, is held jointly by Murgor and Freewest Resources Canada Inc. On February 5th, 2007, Murgor and Freewest optioned 29 claims of the property to Noront Resources Ltd. (see beginning of the section on Mining Properties above).

CURRENT AND FUTURE EXPLORATION WORK AT WINDFALL:

Murgor has not carried-out any exploration work at the Windfall property during the third quarter of its fiscal year 2007 or in the months that followed.

Despite Murgor's new priorities in the Flin Flon belt of Manitoba and Saskatchewan, management at Murgor contemplating additional field work at the Windfall property during the summer of 2007 to test the NE extension of the structure where Noront Resources Ltd. intersected a spectacular new mineralized zone grading 1327.9 g/t over 4.80 metres (see Noront Press Release dated December 01, 2006).

THE FANCAMP GOLD PROPERTY:

The 100% Murgor owned Fancamp property covers 48 claims (1,989 ha) located in the western part of the Fancamp Township, approximately 30 kilometres SE of the town of Chapais and 55 kilometres south of the town of Chibougamau in north-western Québec.

Through staking in 2004, the Fancamp Property now covers, covers approximately a six (6) kilometres strike length of the Fancamp Deformation zone. The Fancamp Deformation Zone is host to the Chevrier Gold deposit (1.1Mt @ 6.4 g/t Au and 230Mt @ 0.3 g/t Au), which is located approximately 5 kilometres NE of the Fancamp Property.

EXPLORATION AT FANCAMP:

In January of 2005, Murgor resumed exploration at the Fancamp Property after a hiatus of nearly 10 years. In the mid-80's, Murgor conducted extensive exploration on the property that concentrated on two mineralized zones and included modest underground developments. This work yielded results such as 6.10 m. @ 8.22 g/t Au, 3.36 m. @ 5.14 g/t Au and 3.05 m. @ 4.60 g/t Au.

In 2006, Murgor carried-out a 60 kilometres of line cutting that was followed by a 46 kilometer induced polarization ground geophysics survey. Results of the geophysical survey show a 2.7 kilometer long high chargeability, high resistivity anomaly trending NE and flanking a high magnetic anomaly. All mineralized zones are situated within this anomaly.

CURRENT AND FUTURE EXPLORATION WORK AT FANCAMP:

Murgor has not carried-out any exploration work at the Fancamp property during the third quarter of its fiscal year 2007 or in the months that followed.

The Corporation is not planning any work at the Fancamp property in the immediate future and will likely be seeking a partner to advance the exploration efforts at Fancamp.

THE NELLIGAN GOLD PROPERTY:

Murgor acquired a one hundred percent (100%) interest the Nelligan gold Property in north-western Quebec on November 20th, 2006. The property consists of forty-eight (48) mining claims located in Nelligan, Benoit and Lesueur Townships, less than five kilometres southwest of the town of Desmaraisville and the Bachelor Lake Gold Mine and mill. The property is subject to a 2% Net Smelter Return royalty of which Murgor can purchase 1% at anytime at a cost of \$1,000,000.

EXPLORATION AT NELLIGAN:

From August to November 2006, Murgor carried-out a property-scale geological mapping and prospecting program that culminated with a mechanical trenching and channel sampling program.

The trenches were excavated to expose a NE-trending and steeply dipping mineralized shear zone where three channel samples yielded **124 g/t Au over 2.53 metres** including a 53 cm section grading 582 g/t Au. The other channel samples returned 2.82 g/t Au over 1.19 metres and 2.65 g/t Au over 1.07 metres (see press release dated December 14th, 2006).

The mineralized shear zone is three to six metres wide and has been followed over a distance of 230 metres along strike. The structure is hosted by a medium to coarse grained gabbro and is characterized by sericite, fuschite and iron carbonate and contains up to 15% disseminated pyrite. Several specks of visible gold are also present in the shear zone.

CURRENT AND FUTURE EXPLORATION WORK AT NELLIGAN:

Murgor did not carry-out any exploration work at the Nelligan property during the third quarter of Murgor's fiscal year 2007 or in the months that followed but management at Murgor is currently contemplating additional work to follow-up on this new discovery.

THE EAGLE RIVER GOLD-COPPER-ZINC PROPERTY:

The Eagle River property is located approximately 110 km east of the town of Lebel-Sur-Quevillon and 170 km southwest of the town of Chibougamau in the Province of Quebec. The property which consists of 183 claims that cover 10,311 ha, is held jointly by Murgor and Freewest Resources Canada Inc.

The Eagle River Property was initially staked for its gold potential in 2003, but preliminary geological mapping and sampling also revealed an excellent setting for base metal Cu-Zn mineralization of volcanogenic origin. The property covers 20 km of strike length of the northern extension of the NE-trending Barry Lake-Masere deformation corridor and 5 km of strike length of the EW-trending Urban-Barry deformation zone. The southwest part of the property covers the highly prospective zone of intersection between the two shear zones - an area that covers 25 km². The Eagle River Property also covers rocks that are believed to be the eastern extension of the Windfall Felsic Complex to which gold is associated at the Windfall Property.

The summer 2005 exploration program at Eagle River consisted of property-scale geological mapping and prospecting carried-out simultaneously with a B-horizon soil survey. The soil surveys were designed to cover ground and helicopter-borne electromagnetic conductors. Zones of interest were later tested by mechanical trenching during the fall of 2005.

Only a few conductors were explained by surface prospecting. Samples of exhalative units near those conductors returned assays of up to 0.05% Cu and 0.2% Zn. A number of strong B-horizon soil anomalies were located over EM conductors with values of up to 743 ppm for Cu, 887 ppm for Zn, 100 ppm for Pb and 25 ppb for Au. A mechanical trenching and sampling program was carried-out in the fall 2005 to test those geochemical anomalies and although sulphide zones were discovered, no significant values were encountered.

CURRENT AND FUTURE EXPLORATION WORK AT EAGLE RIVER:

Murgor has not carried-out any exploration work at the Eagle River property since the fall of 2005 and is currently seeking a partner to advance the exploration efforts on the Eagle River property.

THE LA TRÈVE PGE-Cu-Ni PROPERTY:

The La Trève PGE-Cu-Ni Properties consist of 283 claims that cover 7,799 hectares in the Béré, Lantagnac, Guettard and Daine Townships, approximately 80 kilometres WNW of the Chibougamau Mining District in north-western Quebec. The La Trève I (106 claims) and La Trève II (27 claims) properties are owned 100% by Murgor. The remaining 150 claims, comprising the La Trève III, IV, V and extension properties, are jointly held by Murgor and Freewest (50% each).

All of the La Trève properties except La Trève II are subject to an agreement with Dianor Resources Inc. whereby Dianor holds the rights to explore, mine, extract and sell diamonds from the La Trève I, III, IV and V properties. All other commodities remain the property of Murgor and/or Freewest.

The best mineral occurrences at La Trève remain the La Trève I, IA and IV Cu-Ni-PGE occurrences (LT I: **12.9 g/t PGE, 0.45% Cu, 0.69% Co and 0.75% Ni**; LT IA: **1.27 g/t PGE, 0.19% Cu and 0.10% Ni** and LT IV: **1.17 g/t Pt+Pd+Au and 0.63% Cu-Ni-Co over 6.95m**).

Murgor carried-out a brief exploration program at the La Trève properties during the summer of 2005. The objective of the program was to verify, through geological mapping and prospecting, the surface expression of magnetic anomalies, conductors and Cu-Ni-Co-Pd MMI soil anomalies on the properties that were defined by Dianor during their exploration of the property for diamonds.

Field work could not locate any outcrop in the areas of interest so soil geochemistry was carried-out where possible. No results of interest were encountered.

CURRENT AND FUTURE EXPLORATION WORK AT LA TRÈVE:

Murgor has not carried-out any exploration work at La Trève since the summer of 2005 and is currently seeking a partner to advance the exploration efforts on the La Trève properties.

THE BENOIST GOLD PROPERTY:

The Benoist property consists of 92 mining claims covering 1,458 hectares located approximately 170 kilometres northeast of the Val D'Or mining district and 165 kilometres southwest of the Chibougamau mining district; 1 kilometre SE of the town of Miquelon in north-western Québec. The property is owned 50-50 by Murgor and Freewest Resources Canada Inc.

The Benoist property is located in the eastern part of the Archean, Abitibi greenstone belt. The property is underlain dominantly by intermediate to mafic volcanic flows and volcanoclastic rocks that are intruded by numerous small granodioritic quartz-phyric plutons. All rock types are crosscut by a number of NE-trending brittle-ductile shear zones which include the mineralized Pusticamica, South Gold and Lakeshore shear zones. The mineralized shear zones trend NE with sub-vertical dips.

Gold mineralization consists of massive pyrite veinlets with minor chalcopyrite and trace amounts of sphalerite, occurring within the Pusticamica shear zone and its splay, the South Gold shear zone within a quartz-phyric granodioritic intrusion. The mineralized body is sub-vertical with a strike length of 70 meters and a NS width of 40-50 meters. Alteration consists of silicification, sericitization, chloritization and pyritization. In 1993, Minnova calculated Inferred Reserves on the Pusticamica Zone, of **531,000 tons grading 0.161 oz/ton Au, 0.353 oz/ton Ag and 0.27% Cu** within a geological resource of 5.1 million tons grading 0.055 oz/ton Au.

The Benoist project remains a great asset to Murgor despite the fact that Murgor did not conduct any exploration work at Benoist in 2006. Murgor is seeking a partner to conduct exploration on this project.

ONTARIO

THE CLAY LAKE and CLAY SOUTH Cu-Zn PROPERTY:

The Clay Lake property consists of 5 claims (66 units) covering an area of 16,896 hectares in the Shebandowan greenstone belt west of Thunder Bay. The Clay Lake Property was acquired by staking in 2005, following a significant Cu-Zn discovery in the belt located approximately 5 kilometers to the SE.

In December 2005, Murgor and 50-50 joint venture partner Tribute Minerals Inc. acquired a 100% interest in 7 claims covering 1,296 hectares, contiguous to the Clay Lake property.

In May 2005, a 110 line kilometre helicopter-borne Magnetic-Electromagnetic VTEM survey was flown over the Clay Lake Property in an effort to locate possible conductors indicative of the same type of mineralization as Freewest's new Cu-Zn discovery. Results of this survey were very encouraging as a total of 9 untested conductors were defined on the property with 4 of these short conductors located at the contact between rhyolites and mafic volcanic rocks.

In the summer of 2005, Murgor launched an extensive exploration program of geological mapping, prospecting and litho-geochemical sampling designed to verify the surface expression of the VTEM conductors as well as their geological and geochemical setting. In January of 2006, a six (6) hole drilling program was carried-out at Clay Lake, totalling 931.5 meters with a total of 179 core samples sent for assay.

The summer exploration program was highlighted by the discovery of a new gold occurrence from which two grab samples returned assays of **19.2 g/t Au and 22.1 g/t Au**.

The new gold occurrence is located adjacent to a moderate EM conductor hosted by a sedimentary unit. Gold mineralization is hosted by a strongly potassic-altered, moderately sheared, quartz-feldspar porphyry dike of unknown thickness and consists of disseminated pyrite with minor quartz stockwork veining.

Elsewhere on the property, although it was impossible to verify the helicopter-borne conductors in the field due to the depth of the conductors or their location in bogs, fieldwork confirmed that the conductors are occurring at the stratigraphic top or within the rhyolite package. Furthermore, in the footwall of the westernmost conductor, whole rock geochemistry shows that the quartz-phyric rhyolite has a high silica content, is enriched in Fe, Ca and Mg, and is strongly depleted in Na (all suggestive of hydrothermal processes associated with a volcanogenic base metal mineralization).

Drilling encountered an important sulphide-bearing horizon up to 20 meters wide, over a strike length of at least 2 kilometers and sitting at the stratigraphic top of a rhyolitic unit. The horizon shows banded and stringer pyrite and pyrrhotite in felsic pyroclastic rocks that are intensely altered in chlorite-magnetite-sericite and locally garnet. Best results of the program are from drill hole MCL-06-05 where assays returned 0.33% Cu over 50 centimeters and 0.19% Cu over 1.0 meter.

CURRENT AND FUTURE EXPLORATION AT CLAY LAKE:

Murgor has not carried-out any exploration at Clay Lake since January of 2006 despite the fact that a deep penetrating ground electromagnetic survey and additional drilling are warranted to test the exhalative horizon at depth. To allow Murgor to focus on the Flin Flon properties in Manitoba, however, Murgor will be seeking a partner to advance the exploration efforts on the Clay Lake properties.

THE MISHIBISHU GOLD PROPERTY:

The Mishibishu property consists of 114 mining claim units that cover 4,560 acres in north-western Ontario, 50 kilometres west of the town of Wawa and 10 kilometres north of Lake Superior.

The Property is located in the Archean Mishibishu Greenstone Belt, and is underlain by mafic volcanic rocks and clastic sedimentary rocks bounded to the east and west by large intrusive bodies of tonalitic composition.

The Mishibishu Property covers a strike length of 10 kilometres of the Mishi Creek Deformation Zone and a strike length of 3 kilometres of the Rook Lake Deformation Zone. Both deformation zones are EW- to NW-trending, dip steeply towards the north, and locally exceed 1 kilometre in width. Both shear zones have localized extensive shear-vein systems and high grade gold mineralization in a geological setting that is remarkably similar to the known gold deposits in the area, which are all owned by River Gold Inc:

- The producing Eagle River Gold Mine (2.86 Mt grading 8.84 g/t Au), located 6 kilometres to the south,
- The past producing Mishi open pit (1.25 Mt grading 4.8 g/t Au), located 12 kilometres to the north, and
- The past producing Magnacon Mine (1.54 Mt grading 6.9 g/t Au), also the site of the operating Eagle River Mill, located 12 kilometres to the north.

The property hosts numerous gold occurrences that have yielded potentially economic grades of mineralization, yet the property remains largely under-explored. Some 30 gold showings, assaying in excess of 1.0 g/t Au, have been located by previous workers, and include:

- The Marten Zone, which sits at the heart of the property, where drilling and trenching uncovered significant gold mineralization over a strike length of 300m (drill intercept of up to 5.05 g/t Au over 7.45 m), and
- The Dorset Zone, which sits immediately to the north of the property and locally straddles the property boundary over a strike length of 2 kilometers, where drill results include 3.74 g/t Au over a width of 21.53 m, 3.02 g/t Au over 5.92 m, and 5.23 g/t Au over 3.70 m in three separate drill holes. Although the Dorset Zone generally lies just outside of the property boundaries, its east and west strike extensions lie within the property.

CURRENT AND FUTURE EXPLORATION AT MISHIBISHU:

In May of 2006, management elected to option the Mishibishu property to Terex Resources Inc. (now Trelawney Resources Inc.) Trelawney holds an extensive land position in the area and was a logical exploration partner for Mishibishu. In a press release dated December 7th, 2006, Trelawney announced that it had started a 20,000 metre drilling program that was in part aimed at the Mishibishu option.

THE MYSTERY GOLD PROPERTY:

The Mystery property consists of 32 mining claim units that cover 512 hectares in Moss Township, 120 kilometres west of the town of Thunder Bay, north-western Ontario. The Mystery property is located in the Shebandowan Belt and cover the Northeast extension of the La Rose Shear Zone, where Freewest Resources Canada Inc. has intermittently exposed a mineralized corridor over a 3.5 kilometre strike length in 2004.

In the summer of 2004, Murgor carried-out a modest exploration program that successfully outlined the La Rose Shear Zone crossing the central part of the property in a NE-trending topographic low. Along this topographic low, strongly deformed sedimentary rocks and boudinaged felsic dikes were sampled and returned anomalous gold values of up to 1.3 g/t Au.

This initial program was followed-up in the fall of 2004 by a 30 line kilometre soil geochemical survey and an induced polarization geophysical survey that outlined several high chargeability anomalies coincident with gold in soil anomalies. Later, in May of 2005, a helicopter-borne Magnetic-Electromagnetic VTEM survey outlined a number of weak conductors on the NE extension of the La Rose Gold-bearing structure.

In the summer of 2005, a brief exploration program of geological mapping, prospecting and sampling was carried-out at the Mystery property. The exploration program was designed to verify the surface expression of high chargeability induced polarization anomalies, helicopter-borne VTEM anomalies and B-horizon soil anomalies. No significant results were encountered.

CURRENT AND FUTURE EXPLORATION AT MYSTERY:

Murgor has not carried-out any exploration work at the Mystery property since the summer of 2005 and is currently seeking a partner to advance the exploration efforts on the Mystery property.

THE GREENWATER LAKE PROPERTY:

The Greenwater Lake property consists of 22 mining claim units that cover 3,024 hectares located approximately 120 kilometres west of the town of Thunder Bay, north-western Ontario. The property is located in the Shebandowan Belt approximately 10 kilometres west of the past producing Shebandowan Mine (8.6MT @ 2.0% Ni, 1.0% Cu, 2.68 g/t Pd & Pt), and 5 kilometres east of the past producing North Coldstream Mine (2.7MT @ 2.0% Cu).

Murgor has acquired the right earn a 100% interest in the property on November 28, 2005.

CURRENT AND FUTURE EXPLORATION AT GREENWATER LAKE:

Although Murgor has kept the claims in good standing and continued to make its option payments on the property, Murgor has not carried-out any exploration work at the Greenwater Lake property since its acquisition. Murgor is seeking a partner to advance the exploration efforts on this property.

NEW BRUNSWICK

THE MOUNT PLEASANT GOLD PROPERTY:

The 100% Murgor owned Mount Pleasant Gold Property consists of 47 claims (752 hectares), located 70 kilometres south of the city of Fredericton, in south-western New Brunswick. The property covers the same favourable geological setting as the Clarence Stream Gold Deposit, 10 kilometres to the west.

Initial interpretation of government geophysical surveys of the property outlined an unexplored, 4.5 km² dilational jog, located in the central part of the Mount Pleasant property, where a large Sn, Zn, Bi, W soil geochemical anomaly (not analyzed for Au by Billiton in 1980) was located. A dilational jog is a fault-bounded area of low pressure, where mineralizing fluids are drawn while the faults are active.

On March 22, 2006, Murgor optioned the Mount Pleasant Property to Geodex Minerals Ltd. Geodex holds an extensive land position in the area and was a logical exploration partner for Mount Pleasant. At the time of this report, Geodex was carrying-out a summer exploration program at Mount Pleasant. No results have been published to date.

THE ELMTREE GOLD PROPERTY:

The Elmtree Property consists of 76 mining claims covering 1,216 hectares, located approximately 25 km by road North West of the town of Bathurst, New Brunswick. On October 12, 2005, Murgor acquired the right to earn a 100% interest in the property.

The dominant and most important geological feature of the Elmtree Property is the Elmtree fault which transects the central part of the property and juxtaposes the units of the Ordovician Belledune River Melange to the north and the calcareous metasedimentary rocks of the Silurian Chaleur Group to the south. The Elmtree fault trends N070 degrees and dips steeply to the north-northwest and the property covers approximately nine (9) kilometres of its strike extent.

Approximately 3 kilometres west of the property, the Elmtree fault is intruded by a small gabbroic sill which is host to the Elmtree Gold Deposit and occurrences. At the Elmtree deposit, trenching has outlined mineralized zones assaying up to **8 g/t Au over 9.00 meters** and drilling has intersected zones of **up to 6.0 g/t Au over ~13 meters**.

Mineralization at the Elmtree deposit consists of gold bearing zones of disseminated sulphides (up to 25% combined sulphide) within zones of silica flooding. Sulphides consist of diminishing amounts of arsenopyrite, pyrrhotite, and pyrite with minor chalcopyrite, stibnite and sphalerite.

The deposit was discovered in 1984 through a grassroots prospecting program following up As-Sb soil and stream sediment anomalies.

ELMTREE EXPLORATION RESULTS 2006:

In the fall of 2005 Murgor carried out a B-horizon soil geochemistry survey on the central part of the Elmtree Property. A total of 1,028 samples were collected to cover an area of 1.8 km by 2.2 km in the NS direction.

Three important soil anomalies were outlined above the Elmtree fault. The anomalies have coincident high values of up to 217 ppb Au, 26.8 ppm Ag, 1235 ppm As, 504 ppm Pb, 770 ppm Zn and 124 ppm Cu. These values are comparable to those reported historically above the Elmtree Gold deposit.

FUTURE EXPLORATION AT ELMTREE:

No work has been carried-out on the property since the fall of 2005.

Murgor is seeking a joint venture partner to continue the exploration on this project to focus on its recent Flin Flon belt acquisition. A follow-up exploration program of line-cutting, magnetic and induced polarization geophysical surveys and potentially drilling is highly recommended.

FLIN FLON BELT PROPERTIES:

In the Flin Flon Belt of Manitoba and Saskatchewan, Murgor started its exploration program in early November of 2006. To date, Murgor has completed 775 line kilometers of line cutting, 273 line kilometres of Infitem, a deep penetrating ground geophysical method, and 4,180 line kilometres of VTEM helicopter-borne geophysics. Drilling programs also started at Hudvam and Fon on January 20th, 2007 and to date the Corporation has completed 31 drill holes totaling 7,730 metres. An additional 12,000 metres of drilling is planned for the remainder of the year.

Murgor is still dedicated to accelerating its work commitments on the resource based properties in order to earn its 100% interest within two years from the signing of the agreements.

MANITOBA

THE HUDVAM PROPERTY:

The Hudvam property is located in Manitoba, 47 kilometres NE of the town of Flin Flon where HudBay operates a mill, Copper Smelter and Zinc plant. The property is located within 1 kilometre of a paved road linking Flin Flon to the village of Leaf Rapids. The Hudvam property includes the Hudvam deposit where a NI 43-101 resource estimate was completed on February 28, 2007.

The resource estimate was carried-out by AMEC Americas Limited using an inverse distance squared interpolation method and using a density of 3.95 g/cm³ for Zone 1 and 4.20 g/cm³ for Zone 3 (Zone 1 and Zone 3 have approximately 75% and 25% of the total inferred resource, respectively). AMEC's model for resource estimation is based on 116 drill holes.

Cut off grades were calculated in copper equivalencies based on the following price of metals: Copper (Cu) = USD\$1.10 per pound, Zinc (Zn) = USD\$0.60 per pound, Gold (Au) = USD\$475.00 per troy ounce, and Silver (Ag) = USD\$6.00 per troy ounce. AMEC assumes that the Hudvam Deposit will be mined by underground methods and the results of the total resource estimate using a base case of 2% Cu cut-off are as follows:

CUT-OFF GRADE*	TONNAGE (Tonnes)	GRADE				CONTAINED METAL			
		Cu	Zn	Au	Ag	Cu (lbs)	Zn (lbs)	Au (oz)	Ag (oz)
2% Cu Equiv**	1,193,000	1.17%	1.71%	2.94 g/t	10.49 g/t	30,778,000	44,720,000	111,000	403,000

*Copper equivalent grade. **Base case Inferred Resource estimate based on assumed underground mining methods.

Murgor can earn a 100% interest in the Hudvam Property from HudBay Minerals Inc. by making aggregate expenditures of \$2.25 million and making escalating cash/share payments for an aggregate amount of \$270,000 over a period of 3 years.

The property covers approximately 17 square kilometres of relatively poorly known geology. A strike length of more than 4 kilometres of volcanic stratigraphy including a prospective contact between felsic and mafic volcanic rocks needs to be explored in detail on the property.

In 1988, Mingold Resources Inc. completed a 312 metre ramp as part of an underground development program of the Hudvam deposit. Development was abandoned when the price of metals collapsed and when flow-through funding expired.

CURRENT AND FUTURE EXPLORATION WORK AT HUDVAM:

To date, exploration at Hudvam consisted of 126 line kilometres of line cutting and 60 line kilometres of Infinitem ground geophysics. The Corporation also completed 20 drill holes on the project for a total of 4,180 metres. All results are pending except for the two drill holes below.

DDH No	LINE	STN	Az.	Incl.	L (m)	RESULT
HSV-002	29+56mN	42+00mE	317	50	133.9	2.60% Cu, 2.30% Zn, 3.24 g/t Au, 29.13 g/t Ag over 8.65m
HSV-003	29+81mN	42+34mE	317	57	105.0	0.90% Cu, 0.14% Zn, 1.59 g/t Au, 14.00 g/t Ag over 3.66m

Another 5,000 metres of drilling are still planned at Hudvam before the end of 2007. A detailed geological mapping and geochemical sampling program is also planned for the summer of 2007.

THE WIM PROPERTY:

The Wim property is located in Manitoba, 14 kilometres north of the Town of Snow Lake where HudBay operates a mill. The Wim property includes the Wim deposit where a NI 43-101 resource estimate was completed on March 12th, 2007.

The resource estimate was carried-out by AMEC Americas Limited for Murgor using an inverse distance squared interpolation method, modeled on 53 drill holes and using a density of 3.33 g/cm³ for the ore.

Due to the polymetallic nature of the Wim deposit, cut off grades were calculated in copper equivalencies based on the following price of metals: Copper (Cu) = USD\$1.10 per pound, Zinc (Zn) = USD\$0.60 per pound, Gold (Au) = USD\$475.00 per troy ounce, and Silver (Ag) = USD\$6.00 per troy ounce. AMEC assumes that the Wim Deposit will be mined by underground methods and the results of the total resource estimate using a base case of 2% Cu cut-off are as follows:

CUT-OFF GRADE*	TONNAGE (Tonnes)	GRADE				CONTAINED METAL			
		Cu	Zn	Au	Ag	Cu (lbs)	Zn (lbs)	Au (oz)	Ag (oz)
2% Cu Equiv**	2,062,000	1.92%	0.26%	1.65 g/t	5.58 g/t	87,333,000	11,943,000	110,000	370,000

*Copper equivalent grade. **Base case Inferred Resource estimate based on assumed underground mining methods.

Murgor can earn a 100% interest in the Wim Property from HudBay Minerals Inc. by making aggregate expenditures of \$2.0M and making escalating cash/share payments for an aggregate amount of \$320,000 over a period of 3 years.

The property covers approximately 12 square kilometres in two claim groups. A very broad halo of intensely altered rocks is observed on the property and over four kilometres of prospective stratigraphy needs to be explored in more detail.

The Wim deposit consists of only one lens to date, extending from 245 metres to 640 metres below surface. The lens reaches a width of up to 15 metres. Mineralization consists of massive to semi-massive sulphide of volcanogenic origin.

CURRENT AND FUTURE EXPLORATION WORK AT WIM:

To date, exploration at Wim consisted of 227 line kilometres of line cutting and 40 line kilometres of Infinitem ground geophysics. The Wim property and immediate area was also covered by a 370 line kilometre helicopter borne VTEM survey.

Murgor is planning a 7,000 metre drilling program at Wim that is scheduled to start during the summer of 2007. A detailed geological mapping and geochemical sampling program is also planned for the summer of 2007.

THE SNOW-H PROJECT:

The Snow-H project is located in Manitoba, 5 kilometres east of the Town of Snow Lake where HudBay operates a mill. The project is located just north of Highway 391.

Murgor can earn a 50% interest in the project from HudBay Minerals Inc. by making aggregate exploration expenditures of \$2,500,000 over 3 years.

The Snow-H Project consists of current mining properties and any future mining properties acquired by Murgor or HudBay within the 105,586 hectare area of the project (current mining properties cover an area of 8,503 hectares). Murgor also gains access to HudBay's extensive exploration database in the area (including the data from over 5,670 line kilometre SPECTREM airborne electromagnetic survey carried-out by HBED in the mid '90's). The project area covers hundreds of kilometres of the north extension of the Watts River Deposit horizon (currently under exploration by HudBay) and the eastern extension of the horizon hosting the past producing Osborne Lake Mine (3.38 MT 3.03% Cu, 1.48% Zn) and Bur Deposit (1.24 MT 1.96% Cu, 8.00% Zn). In a press release dated September 27, 2006, HudBay also reported a new discovery of 0.24% Cu & 2.69% Zn over 0.57m (Referred to as the Ros Lake area) located at the heart of the Snow-H project that indicates the Watts River deposit mineralizing processes are active over a minimum strike length of 12 kilometers within the project area. Target mineralization consists zinc-copper (silver & gold) massive to semi-massive sulphide ore of volcanogenic origin.

CURRENT AND FUTURE EXPLORATION WORK AT SNOW-H:

To date the eastern part of the Snow-H project was covered by a 1,825 line kilometre helicopter borne VTEM survey. Other exploration work consisted of 109 line kilometres of line cutting and 54 line kilometres of Infinitem ground geophysics to cover the Ros Lake area and strike extensions.

A geological mapping and geochemical sampling program is planned for the summer of 2007 along with a basal till geochemical program. Murgor is planning a 2,000 metre drilling program at Wim that is scheduled to start in January of 2008.

SASKATCHEWAN

THE FON PROPERTY:

The Fon property is located in Saskatchewan, 40 kilometres west of the town of Flin Flon where HudBay operates a mill, Copper Smelter and Zinc plant.

Murgor can earn a 100% interest in the **Fon property** from HudBay Minerals Inc. by making aggregate expenditures of \$3.5M and escalating cash/share payments for an aggregate amount of \$520,000 over a period of four years.

The property covers approximately 24 square kilometres with two deposits: the Fon Zinc deposit where a NI 43-101 resource estimate was completed on March 12th, 2007.

The resource estimate was carried-out by Wardrop Engineering Inc. for Murgor using an inverse distance squared interpolation method with grades capped at 27% Zinc and using a conservative specific gravity of 3.2 g/cm³ (0.1 short tons per cubic foot). Wardrop's model takes 171 drill holes into account with 82 needed for resource calculation.

Results of the resource estimate are as follows:

CUT-OFF GRADE	TONNAGE (Tons)	GRADE	CONTAINED METAL
1% Zinc	5,007,888	3.73% Zn, 0.25% Cu, 0.35 oz/ton Ag	373,588,445 lbs Zn, 25,039,440 lbs Cu, 1,752,761 oz Ag
3.5% Zinc	1,677,377	6.79% Zn, 0.27% Cu, 0.54 oz/ton Ag	227,787,797 lbs Zn, 9,057,836 lbs Cu, 905,784 oz Ag

The property also covers the smaller Abbott Lake deposit where historical resources are not reported to date. A strike length of more than 8 kilometres of a mineralized exhalative horizon is also located on the property and needs to be explored in great detail. The Fon deposit extend from surface to a vertical depth of 760 meters whereas the Abbott Lake deposit extends from surface to a vertical depth of 250 meters and remains only poorly tested at depth. Mineralization of both deposits consists of massive to semi-massive sulphide of volcanogenic origin.

CURRENT AND FUTURE EXPLORATION WORK AT FON:

To date, exploration at Fon consisted of 163 line kilometres of line cutting and 118 line kilometres of Infinitem ground geophysics. The Corporation also completed 11 drill holes on the project for a total of 3,548 metres. All results are pending. The Fon property and immediate area was also covered by a 350 line kilometre helicopter borne VTEM survey.

Murgor is planning a detailed geological mapping and geochemical sampling program for the summer of 2007. Drilling will resume in January of 2008 with a minimum of 5,000 metres of drilling.

THE TYR PROPERTY:

The Tyr property is located in Saskatchewan, 20 kilometres NW of the town of Flin Flon where HudBay operates a mill, Copper Smelter and Zinc plant. The property is within 5 kilometres of paved Highway 106.

Murgor can earn a 100% interest in the property from HudBay Minerals Inc. by making aggregate expenditures of \$300,000 and making escalating cash/share payments for an aggregate amount of \$50,000 over 3 years.

The property comprises one claim covering 58 hectares that includes the Tyr deposit where historical resources stand at 108,860t @ 4.98 g/t Au, 2.80% Cu, 1.20% Zn. The deposit is believed to be situated on the NW extension of the Flin Flon, Triple 7 and Callinan Mines which account for more than 89,000,000 tonnes of massive sulphide ore to date.

The Tyr deposit consists of a single lens extending from surface to 150 metres vertical depth. The property covers 600 metres of strike extent of the favourable Flin Flon Mine stratigraphy. The property is also located within an 805 square kilometre area designated as the Flin-D project, where Murgor can earn a 50% interest from HudBay Minerals Inc.

Mineralization consists of very rich polymetallic massive to semi-massive sulphide ore of volcanogenic origin.

CURRENT AND FUTURE EXPLORATION WORK AT TYR:

To date, exploration at Tyr consisted of complete VTEM coverage and 130 line kilometres of line cutting. An Infinitem ground geophysics survey started in March 2007 to cover the whole property (approximately eight line kilometres).

Murgor is planning a detailed geological mapping and geochemical sampling program for the summer of 2007. Drilling is planned to start in January of 2008 with a minimum of 1,000 metres of drilling.

THE FLIN-D PROJECT:

The Flin-D project is located in Saskatchewan, ten kilometres NW of the town of Flin Flon where HudBay operates a mill, Copper Smelter and Zinc plant. Highway 106 cuts through the southern part of the project area. Murgor can earn a 50% interest in the project from HudBay Minerals Inc. by making aggregate exploration expenditures of \$2,500,000 over 3 years.

The Flin-D Project consists of current mining properties and any future mining properties acquired by Murgor or HudBay within the 80,518 hectare area of the project (current mining properties cover an area of 4,530 hectares). Murgor also gains access to HudBay's extensive exploration database in the area (including the data from over 3,850 line kilometre SPECTREM airborne electromagnetic survey carried-out by HBED in the mid '90's). The project area covers hundreds of kilometres of what is believed to be the NW extension of the Flin Flon, Triple 7 and Callinan Mine horizon which account for more than 89,000,000 tonnes of massive sulphide ore to date. The project area also covers the NW extension of the Trout Lake Mine (20,000,000 tonnes).

The Tyr deposit (108,860t @ 4.98 g/t Au, 2.80% Cu, 1.20% Zn) is also located in the southern part of the project area. Target mineralization consists zinc-copper (silver & gold) massive to semi-massive sulphide ore of volcanogenic origin.

CURRENT AND FUTURE EXPLORATION WORK AT FLIN-D:

To date the southern part of the Flin-D project was covered by a 1,635 line kilometre helicopter borne VTEM survey. Other exploration work consisted of 140 line kilometres of line cutting to cover the extensions of the Tyr deposit. A 100 line kilometre Infinitem survey started in March of 2007 to cover this grid.

In the summer of 2007, a geological mapping and geochemical sampling program is planned to be followed by a minimum of 2,000 metre of drilling that is scheduled to start in January of 2008.

PERU PROPERTIES

On January 30, 2007, Murgor announced that it had acquired 11 high potential exploration properties in Peru from mining giant AngloGold Ashanti. The acquisition was made by Murgor through Murgor Exploraciones S.A.C. its wholly owned Peruvian subsidiary.

The exploration properties cover a total area of 27,200 hectares and are located throughout Peru in the departments of Ancash, Amazonas, Apurimac, Arequipa, Cusco, Huanuco, Junin, La Libertad and Lima. The properties are all at the grassroots level and were initially acquired by AGA for their large-scale alteration, anomalous metal values and proximity to large-scale structures that host such world class gold deposits as Yanacocha and Alto-Chicama.

Several of the properties show indications of high sulphidation epithermal gold-silver mineralization while others show bulk tonnage gold-copper or gold-silver potential. Other properties within this package show potential for large, high grade epithermal and mesothermal gold-silver veins. Old mine workings are documented on at least three of the properties.

Under the terms of the agreement, Murgor acquired a 100% interest in the properties for a one time cash payment to AGA of US \$90,070. AGA retains a 1% net smelter return royalty on all the properties.

Since there are no work commitments on any of the Peruvian properties, Murgor will continue to focus its immediate exploration efforts on its HudBay options, while planning longer term exploration programs in Peru; either alone or with partners.

RESULTS OF OPERATIONS

Three-month period ended January 31, 2007 compared with three-month period ended January 31, 2006

For the three month ended January 31, 2007, the Corporation reported a net income of \$989,521 or \$0.010 basic and fully diluted per share, compared to net income of \$380,872 or \$0.006 basic and fully diluted per share in the same period of 2006.

Revenue totaled \$41,796 at January 31, 2007 as compared to \$20,337 at January 31, 2006. The net increase of \$21,459 consisted of an increase of \$25,965 of interest income on bank balances as a result of the equity financings in fiscal 2006 and 2007 and on the exercise of warrants and stock options which was offset by a reduction of \$4,506 in operator's fees charged for project administration due to lower joint venture exploration expenditures incurred during the period.

The net income for the three-month period ended January 31, 2007 included a write-off due to abandonment of properties of \$138,287 (\$5,812 – January 31, 2006). Expenses excluding the write-off due to abandonment of properties totaled \$191,428 (\$93,618 – January 31, 2006). The increase in Professional and accounting fees of \$35,886 to \$58,777 (\$22,891 – January 31, 2006) was as a result of increased fees incurred during the period as well as the higher year-end accruals reflected in the January 31, 2007 amount. Administration expenses and other totaled \$44,022 at January 31, 2007 compared to \$9,479 at January 31, 2006. The increase of \$34,543 related mainly to office salaries expense resulting from a re-negotiation of shared office and related expenses with Freewest Resources Canada Inc. Filing costs and shareholders' information totaled \$59,346 compared to \$57,682 (January 31, 2006). The decrease of \$1,664 related mainly to the timing of advertising, promotion, and public relation costs. The cost of Marketable securities was \$45,750 as at January 31, 2007 (\$Nil – January 31, 2006) while their market value was \$88,500 (\$Nil – January 31, 2006). As Marketable securities are carried at the lower of cost and market, no adjustment of value of marketable securities was required (\$Nil – January 31, 2006). No interest expense on the Part XII.6 tax as a consequence of the look-back rule was paid during the three month period ended January 31, 2007 (\$3,566 – January 31, 2006).

Three-month period ended January 31, 2006 compared with three-month period ended January 31, 2005

For the three month ended January 31, 2006, the Corporation reported a net income of \$380,872 or \$0.006 basic and fully diluted per share, compared to net income of \$241,173 or \$0.005 basic and fully diluted per share in the same period of 2005.

Revenue totaled \$20,351 at January 31, 2006 as compared to \$20,156 at January 31, 2005. The net increase of \$195 was comprised of \$5,512 of Interest income on bank balances as a result of the equity financings in fiscal 2005 and 2006 offset by a decrease of \$5,317 in Operator's fees charged for project administration of \$11,750 (\$17,067 – January 31, 2005). Bank charges were \$400 for January 31, 2006 (\$400 – January 31, 2005).

The net income for the three-month period ended January 31, 2006 included a write-off due to abandonment of properties of \$5,812 (\$14,137 – January 31, 2005). Expenses excluding the write-off due to abandonment of properties totaled \$93,632 (\$44,320 – January 31, 2005). The increase in Professional and accounting fees of \$9,405 to \$22,891 (\$13,486 – January 31, 2005) was as a result of increased fees incurred during the period related to the renunciations of previous years' financings as well as higher year-end accruals to reflect the actual fees billed for the year ended April 30, 2005. Administration expenses and other totaled \$9,493 at January 31, 2006 compared to \$6,971 at January 31, 2005. The increase of \$2,522 related to higher director's and officer's liability insurance, increased office expenses together with an increase in the amount charged for shared office expenses. Filing costs and shareholders' information totaled \$57,682 compared to \$25,663 (January 31, 2005). The increase of \$32,019 related mainly to higher advertising, promotion, conference and public relation costs as a result of increased activity of the Corporation. Interest expenses of \$3,566 (\$Nil – January 31, 2005) were incurred as a result of the period in which the exploration expenditures were incurred.

Nine-month period ended January 31, 2007 compared with nine-month period ended January 31, 2006

For the nine-month ended January 31, 2007, the Corporation reported net income of \$690,054 or \$0.008 basic and fully diluted per share, compared to net income of \$179,663 or \$0.003 per share in the same period of 2006.

Revenue totaled \$76,761 at January 31, 2007 as compared to \$100,511 at January 31, 2006. The decrease of \$23,750 was comprised of an increase of \$38,708 of interest income on bank balances as a result of the equity financings in fiscal 2006 and 2007 and exercise of warrants and stock options offset by a reduction of \$33,833 in operator's fees charged for project administration and \$28,625 from the gain on disposal of marketable securities (January 31, 2006).

The net income for the nine-month period ended January 31, 2007 included a write-off due to abandonment of properties of \$216,947 (\$89,594 – January 31, 2006). Expenses excluding the write-off due to abandonment of properties totaled \$447,200 (\$291,219 – January 31, 2006). The increase in Professional and accounting fees of \$29,598 to \$135,053 (\$105,455 – January 31, 2006) was as a result of increased fees incurred during the period as well as the higher year-end accruals. Administration expenses and other totaled \$76,598 at January 31, 2007 compared to \$28,710 at January 31, 2006. The increase of \$47,888 related mainly to office salaries expense resulting from a re-negotiation of shared office and related expenses with Freewest Resources Canada Inc... Filing costs and shareholders' information totaled \$165,635 compared to \$109,550 (January 31, 2006). The increase of \$56,085 related mainly to higher advertising, promotion, and public relation costs related to the significant increase in the activities at the Corporation. Interest expenses of \$280 (\$30,435 – January 31, 2006) were incurred as a result of the period in which the exploration expenditures were incurred.

Nine-month period ended January 31, 2006 compared with nine-month period ended January 31, 2005

For the nine-month ended January 31, 2006, the Corporation reported net income of \$179,663 or \$0.003 per share compared to net income of \$133,710 or \$0.0039 per share in the same period of 2005.

Revenue totaled \$100,511 at January 31, 2006 as compared to \$32,104 at January 31, 2005. The increase of \$68,407 was comprised of: \$13,135 of Interest income on bank balances as a result of the equity financings in fiscal 2005 and 2006; \$26,647 in Operator's fees charged for project administration; and \$28,625 from the Gain on disposal of marketable securities. Bank charges totaled \$401 at January 31, 2006 (\$415 – January 31, 2005).

The net income for the nine-month period ended January 31, 2006 included a write-off due to abandonment of properties of \$89,594 (\$36,325 – January 31, 2005). The January 31, 2006 write-off amount included \$29,694 related to the Urban/Greenshield project which was returned to the vendor. Expenses excluding the write-off due to abandonment of properties totaled \$291,219 (\$141,543 – January 31, 2005). The increase in Professional and accounting fees of \$58,531 to \$105,455 (\$46,924 – January 31, 2005) was as a result of increased fees incurred during the period related to the renunciations of previous years' financings as well as higher year-end accruals to reflect the actual fees billed for the year ended April 30, 2005. Administration expenses and other totaled \$28,710 at January 31, 2006 compared to \$17,056 at January 31, 2005. The increase of \$11,654 consisted of: \$4,848 for Tax on capital; and \$6,806 due to higher director's and officer's liability insurance together with an increase in the amount charged for shared office expenses. Filing costs and shareholders' information totaled \$109,550 compared to \$62,563 (January 31, 2005). The increase of \$46,987 related mainly to higher advertising, promotion, conference and public relation costs as a result of increased activity of the Corporation. Interest expenses of \$30,435 (\$Nil – January 31, 2005) were incurred as a result of the period in which the exploration expenditures were incurred.

For the nine-month period ended January 31, 2006, \$17,000 was included in deferred exploration expenditures (\$Nil – January 31, 2005) and \$17,069 was reflected in Stock option compensation (\$15,000 – January 31, 2005).

SUMMARY OF QUARTERLY RESULTS

The following table presents unaudited selected financial information for eight of the most recently completed financial quarters:

	2007			2006			2005	
	Q3 \$	Q2 \$	Q1 \$	Q4 \$	Q3 \$	Q2 \$	Q1 \$	Q4 \$
Revenues	41,796	14,298	19,481	28,277	20,337	49,219	30,955	28,057
Net income (loss)	989,521	(174,575)	(124,892)	(423,326)	380,872	(127,434)	(73,775)	205,865
Basic and fully diluted net income (loss) per share	0.010	(0.002)	(0.001)	(0.005)	0.006	(0.002)	(0.001)	0.003

The Corporation has no dividend policy and has no intention of developing a dividend policy in the foreseeable future. The Corporation has paid no dividends and has no retained earnings from which it might pay dividends.

LIQUIDITY

Nine-month period ended January 31, 2007 compared with nine-month period ended January 31, 2006

As at January 31, 2007, the Corporation maintained a cash and equivalent position of \$5,242,838 (\$2,156,564 as at January 31, 2006) and working capital of \$5,293,656 as compared to a working capital of \$2,083,231 as at October 31, 2006. The Corporation has no long-term debt. Management is of the opinion that the current cash position is sufficient to meet current commitments. Full development of some mineral properties would require substantially more financial resources. Traditionally, the Corporation has been able to rely on its ability to raise financing in public and private negotiated equity offerings. The Corporation may also advance the development of mineral properties through joint-venture participation.

On December 14, 2006, the Corporation completed a private placement for gross proceeds of \$6,000,000. At the closing, Murgor issued 16 million flow-through units, for gross proceeds of \$4 million (\$3,992,000 flow-through amount and \$8,000 in common shares amount). Each flow-through unit consists of one flow-through common share and one-half of a common share purchase warrant. Each full warrant entitles the holder to acquire one additional common share at a price of \$0.35 for a period of 18 months from the closing date. Murgor also issued 10 million non-flow-through units, for gross proceeds of \$2 million. Each unit consists of one common share and one-half of a common share purchase warrant. Each full warrant entitles the holder to acquire one additional common share at a price of \$0.30 for a period of 24 months from the closing date. In connection with this financing, Murgor issued 2,340,000 broker units exercisable at \$0.20 for a 24 month period from the closing date. Should these broker units be exercised, an additional 1,170,000 warrants exercisable at \$0.30 would be issued and would expire on the same date as the original warrants

Nine-month period ended January 31, 2006 compared with nine-month period ended January 31, 2005

As at January 31, 2006, the Corporation maintained a cash and equivalent position of \$2,156,564 (\$1,695,876 as at January 31, 2005) and working capital of \$2,083,231 as compared to a working capital of \$1,932,864 as at January 31, 2005. The Corporation has no long-term debt. Management is of the opinion that the current cash position is sufficient to meet current commitments. Full development of some mineral properties would require substantially more financial resources. Traditionally, the Corporation has been able to rely on its ability to raise financing in public and private negotiated equity offerings. The Corporation may also advance the development of mineral properties through joint-venture participation.

Murgor raised a total \$1,844,480 through three (3) private placements (\$1,393,833 flow-through amount and \$450,647 in common shares amount) for the nine-month period ended January 31, 2006 compared to a total \$1,556,760 through two (2) private placements (\$846,891 flow-through amount and \$709,869 in common shares amount) for the nine-month period ended January 31, 2005. Issue costs related to the financings totaled \$132,587 at January 31, 2006 as compared to \$114,684 at January 31, 2005. A total of \$Nil was raised through the exercise of warrants as compared to \$323,827 as at January 31, 2005.

MINING PROPERTIES AND DEFERRED COSTS

	April 30, 2006	Expenditures	Proceeds from option agreements	(Write-off)	January 31, 2007
	\$	\$	\$	\$	\$
Quebec					
Fancamp					
Acquisition	37,263	2,584	-	-	39,847
Exploration	1,652,456	80,576	-	-	1,733,032
Benoist					
Acquisition	31,218	600	-	-	31,818
Exploration	849,993	-	-	-	849,993
Barry					
Acquisition	409,896	2,184	(200,000)	-	212,080
Exploration	2,229,521	695,914	-	-	2,925,435
Windfall					
Acquisition	75,349	3,912	-	-	79,261
Exploration	1,860,872	26,268	-	(21)	1,887,119
La Trève					
Acquisition	141,769	288	-	-	142,057
Exploration	324,578	100	-	-	324,678
Eagle River					
Acquisition	10,018	1,536	-	-	11,554
Exploration	135,632	1,030	-	-	136,662
Nelligan					
Acquisition	-	31,693	-	-	31,693
Exploration	-	92,181	-	-	92,181
Others					
Acquisition	-	-	-	-	-
Exploration	-	25,317	-	(25,317)	-
	7,758,565	964,183	(200,000)	(25,338)	8,497,410
Ontario					
Mishibishu					
Acquisition	84,335	13	(28,750)	-	55,598
Exploration	248,650	-	-	-	248,650
Mystery					
Acquisition	2,400	-	-	-	2,400
Exploration	130,999	3,808	-	-	134,807
Clay Lake					
Acquisition	9,265	2,625	-	-	11,890
Exploration	232,075	1,342	-	-	233,417
Greenwater Lake					
Acquisition	21,230	10,000	-	-	31,230
Exploration	8	7	-	-	15
Others					
Acquisition	-	-	-	-	-
Exploration	-	46,233	-	(46,233)	-
	728,962	64,028	(28,750)	(46,233)	718,007

MINING PROPERTIES AND DEFERRED COSTS (Cont'd)

	April 30, 2006	Expenditures	Proceeds from option agreements	(Write-off)	January 31, 2007
	\$	\$	\$	\$	\$
New Brunswick					
Mount Pleasant					
Acquisition	9,655	-	(36,000)	-	(26,345)
Exploration	81,778	9	-	-	81,787
Elmtree					
Acquisition	8,849	21,500	-	-	30,349
Exploration	21,861	-	-	-	21,861
Other					
Acquisition	-	-	-	-	-
Exploration	-	7,969	-	(7,969)	-
	122,143	29,478	(36,000)	(7,969)	107,652
Manitoba					
Hudvam					
Acquisition	-	210	-	-	210
Exploration	-	249,956	-	-	249,956
Wim					
Acquisition	-	-	-	-	-
Exploration	-	230,728	-	-	230,728
Wim-South					
Acquisition	-	68,248	-	-	68,248
Exploration	-	44,218	-	-	44,218
Zyl					
Acquisition	-	-	-	-	-
Exploration	-	767	-	-	767
Snow-H					
Acquisition	-	116,151	-	-	116,151
Exploration	-	72,892	-	-	72,892
Other					
Acquisition	-	-	-	-	-
Exploration	-	103,318	-	(103,318)	-
	-	886,488	-	(103,318)	783,170
Saskatchewan					
Fon					
Acquisition	-	-	-	-	-
Exploration	-	234,773	-	-	234,773
Fon-South					
Acquisition	-	17,387	-	-	17,387
Exploration	-	30	-	-	30
Flin-D					
Acquisition	-	47,891	-	-	47,891
Exploration	-	42,102	-	-	42,102

MINING PROPERTIES AND DEFERRED COSTS (Cont'd)

	April 30, 2006	Expenditures	Proceeds from option agreements	(Write-off)	January 31, 2007
	\$	\$	\$	\$	\$
Saskatchewan (Cont'd)					
Tyr					
Acquisition	-	-	-	-	-
Exploration	-	27,779	-	-	27,779
Other					
Acquisition	-	-	-	-	-
Exploration	-	21,045	-	(21,045)	-
	-	391,007	-	(21,045)	369,962
Canadian Properties	8,609,670	2,335,184	(264,750)	(203,903)	10,476,201
South America					
Acquisition	-	222,397	-	-	222,397
Exploration	-	13,044	-	(13,044)	-
	-	235,441	-	(13,044)	222,397
Stock Option Compensation	30,210	74,133	-	-	104,343
	8,639,880	2,644,758	(264,750)	(216,947)	10,802,941

For the nine-month period ended January 31, 2007, the Corporation incurred exploration expenditures totaling \$2,021,406 of which \$921,386 was incurred in Quebec; \$51,390 in Ontario; \$7,978 in New Brunswick; \$701,879 in Manitoba; \$325,729 in Saskatchewan and \$13,044 in South America. The exploration expenditures incurred in Canada of \$2,008,362 were funded through the amount raised from Murgor's private placement equity financings and exercise of warrants and stock options.

ADMINISTRATION EXPENSES AND OTHER

The table below details the amounts included in Administration expenses and other of \$76,598 for the nine-month period ended January 31, 2007 (\$28,710 – January 31, 2006):

	January 31, 2007	January 31, 2006
	\$	\$
Office Expenses		
Dues and Subscriptions	1,755	1,026
Postage and Courier	105	100
Insurance	7,675	7,120
Office Supplies and Other	1,510	2,116
Rent and Office Services	9,000	13,500
Salaries	56,553	-
Tax on Capital	-	4,848
	76,598	28,710

CAPITAL STOCK

a) The authorized and issued capital stock of the Corporation consists of the following:

Authorized:

An unlimited number of no par value common shares.

	<u>Number of Shares</u>	<u>Amount</u>
	#	\$
Issued:		
Balance at beginning, April 30, 2006 (audited)	76,392,964	16,653,016
Issuance of shares on acquisition of mining properties	175,000	34,125
Issuance of shares under flow-through agreements	16,000,000	3,992,000
Issuance of shares for cash	10,000,000	2,000,000
Issuance of shares allotted for exercise of stock options and warrants	625,000	108,750
Issuance of shares on exercise of stock options and warrants	7,419,194	1,406,916
Issued and fully paid	<u>110,612,158</u>	<u>24,194,807</u>
Tax benefits renounced on flow-through shares	-	<u>(1,277,440)</u>
Balance at end, March 23, 2007 (unaudited)	<u><u>110,612,158</u></u>	<u><u>22,917,367</u></u>

b) Stock option plan

	<u>Number of Options</u>	<u>Weighted Average Exercise Price</u>
	#	\$
Balance at beginning April 30, 2006 (audited)	6,511,593	0.13
Granted	1,760,000	0.26
Exercised	<u>(605,000)</u>	<u>0.12</u>
Balance at end, March 23, 2007 (unaudited)	<u><u>7,666,593</u></u>	<u><u>0.16</u></u>

Accounting for the stock-based compensation plan

The fair value of the options granted during the fiscal year ended April 30, 2005 amounted to \$55,706 after giving effect to the deduction of \$24,000 for the non-vested portion of the options which expired upon the resignation of the optionee in 2006. The fair value was estimated by using the Black-Scholes options pricing model with the following weighted-average assumptions and is being recorded as an expense over the eighteen month vesting period. For the fiscal year ended April 30, 2006 - \$41,138 (2005 - \$7,500), of which \$24,138 (2005 - \$5,000) as an administration expense and \$17,000 (2005 -\$2,500) as an exploration expense. For the fiscal year ending April 30, 2007 - \$7,068 as an administration expense. For the three-month period ended January 31, 2007 a total of \$Nil was recorded as an administration expense. For the nine-month period ended January 31, 2007 a total of \$7,068 was recorded as an administration expense.

Number of Options granted	375,000	500,000
Weighted risk-free interest rate	2.45%	3.24%
Expected volatility	108.5%	116%
Dividend yield	Nil	Nil
Weighted average expected life	2 years	5 years

The fair value of the 1,600,000 options granted during the fiscal year ended April 30, 2006 amounted to \$160,898 and was estimated by using the Black-Scholes options pricing model with the following weighted average assumptions and is being recorded as an expense over the eighteen month vesting period. For the fiscal year ended April 30, 2006 - \$13,920, of which \$3,209 as an administration expense and \$10,711 as an exploration expense. For the fiscal year ending April 30, 2007 - \$107,266 and for the fiscal year ending April 30, 2008 - \$39,712. For the three-month period ended January 31, 2007 a total of \$29,283 was recorded as an administration expense. For the nine-month period ended January 31, 2007, a total of \$82,916 (\$58,566 as an administration expense and \$24,350 as an exploration expense) was recorded.

Number of Options Granted	150,000	300,000	100,000	750,000	300,000
Weighted risk-free interest rate	4.25%	4.00%	4.00%	4.00%	4.00%
Expected volatility	91%	113%	110%	110%	110%
Dividend yield	Nil	Nil	Nil	Nil	Nil
Weighted average expected life	3 years	5 years	5 years	5years	5 years

The fair value of the 160,000 options granted during the nine-month period ended January 31, 2007 amounted to \$26,589 and was estimated by using the Black-Scholes options pricing model with the following weighted-average assumptions and is being recorded as an expense over the eighteen month vesting period. . For the three-month and nine-month periods ended January 31, 2007 a total of \$8,863 was recorded an exploration expense.

Number of Options granted	60,000	100,000
Weighted risk-free interest rate	4.25%	3.75%
Expected volatility	145%	223%
Dividend yield	Nil	Nil
Weighted average expected life	3 years	5 years

The fair value of the 1,160,000 options granted during the nine-month period ended January 31, 2007 amounted to \$309,329 and was estimated by using the Black-Scholes options pricing model with the following weighted-average assumptions and is being recorded as an expense over the eighteen month vesting period. For the three-month and nine-month periods ended January 31, 2007 a total of \$19,526 was recorded an exploration expense.

Number of Options Granted	100,000	1,150,000	200,000	150,000
Weighted risk-free interest rate	4.25%	3.75%	3.75%	3.75%
Expected volatility	116%	201%	201%	201%
Dividend yield	Nil	Nil	Nil	Nil
Weighted average expected life	2 years	5 years	5years	5 years

c) Warrants

	Number of Warrants	Weighted Average Exercise Price
	#	\$
Balance at beginning April 30, 2006 (audited)	21,767,566	0.19
Granted	16,510,000	0.31
Exercised	(6,885,622)	0.21
Expired	(3,726,019)	0.21
Balance at end, March 23, 2007 (unaudited)	<u>27,665,925</u>	<u>0.26</u>

The fair value of the 3,510,000 warrants granted during the nine-month period ended January 31, 2007 amounted to \$490,942 and was estimated by using the Black-Scholes options pricing model with the following weighted-average assumptions. For the three-month and nine-month periods ended January 31, 2007 a total of \$490,942 was recorded as issue costs.

Number of warrants granted	3,510,000
Weighted risk-free interest rate	4.25%
Expected volatility	116%
Dividend yield	Nil
Weighted average expected life	2 years

RELATED PARTY TRANSACTIONS

All related party transactions are in the normal course of operations and are measured at the exchange value which is the amount of consideration established and agreed to by the related parties. Certain directors of the Corporation are also shareholders and directors of related corporations.

The related corporation charged an aggregate amount of \$36,085 (\$24,556 – January 31, 2006) for administrative costs, services, shared office expenses and exploration expenditures. A total of \$83,417 (\$71,000 – January 31, 2006) in remuneration was paid to the President for professional services rendered in his capacity as a geologist and qualified person (QP). Prepaid expenses included an amount of \$4,287 (\$1,886 – January 31, 2006) to an Officer for upcoming office and exploration expenditures.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation does not have any off-balance sheet arrangements.

CRITICAL ACCOUNTING POLICIES

The Corporation prepares its consolidated financial statements in conformity with Generally Accepted Accounting Principles (“GAAP”) in Canada. The Corporation detailed its significant accounting policies in Note 2 to its audited financial statements for the year ended April 30, 2006 and has identified the following accounting policies, which are believed to be the most critical in fully understanding and evaluating the reported financial results:

The cost of mining properties and deferred costs are capitalized until the results of the projects are known. If a project is successful, the related expenditures will be amortized over a period of years pro-rata to anticipated income. If a project is abandoned or if a permanent drop in value for a property is recognized, the related expenditures will be written off. The sale of an interest in claims or a grant received is credited directly to expenditures until such time as all related expenditures are recovered. Direct costs incurred to maintain claims are capitalized.

The Corporation has two stock option plans as described in note 4 to the audited financial statements for the year ended April 30, 2006. Effective May 1, 2003, the Corporation adopted prospectively the recommendations of the Canadian Institute of Chartered Accountants Handbook Section 3870, *Stock-based Compensation and Other Stock-based Payments* and began expensing prospectively its stock based compensation. Under these new standards, all stock-based payments made to non-employees must be systematically accounted for in the Corporation’s financial statements. Under this method, compensation cost should be measured at the grant date based on the fair value of the award and should be recognized over the related service period. The cost of the stock option Compensation Plan is recognized in Deferred Exploration Expenses and Administration Expenses with a corresponding credit to Contributed Surplus using the fair value based method of Accounting of Awards.

Earnings per share computations are based upon the weighted average number of common shares outstanding during the years. The Corporation uses the treasury stock method, to compute the dilutive effect of options, warrants and similar instruments. Under this method, the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon the exercise of options and warrants. It assumes that the proceeds would be used to purchase common shares at the average market price during the period. In the year of a loss, no diluted loss per share is provided as the inclusion of outstanding share purchase options and warrants would be anti-dilutive.

The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of income and expenses during the reporting period. Significant areas requiring the use of management estimates relate to impairment of mineral properties. Actual results could differ from those estimates.

The consolidated financial statements include the accounts of Murgor Resources Inc. and its wholly-owned subsidiary Murgor Exploraciones S.A.C. in Peru. All significant intercompany transactions and balances have been eliminated and are reported in Canadian dollars.

The Corporation uses the asset and liability method of accounting for income taxes. Under the asset and liability method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of substantive enactment. When the future realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the potential future benefit is taken and no net asset is recognized.

The Corporation has financed a portion of its exploration activities through the issuance of flow-through shares. Under the terms of the flow-through share agreements, the tax attributes of the related expenditures are renounced to subscribers. To recognize the foregone tax benefits to the Corporation, the carrying value of the shares issued is reduced by the tax effect of the tax benefits renounced to subscribers.

CHANGES IN ACCOUNTING POLICIES

The Corporation made no changes in or added any new accounting policies in the nine-month period ended January 31, 2007. In fiscal 2005, the Corporation prospectively adopted the recommendation of the Emerging Issues Committee (“EIC”) of the Canadian Institute of Chartered Accountants (“CICA”). EIC 146 requires the recognition of the foregone tax benefit at the time of the renouncement provided that there is reasonable assurance that the expenditures will be incurred.

FINANCIAL INSTRUMENTS

The Corporation’s financial instruments consist of cash, cash held for exploration, marketable securities, accounts receivable and accounts payable and accrued liabilities, due to related corporations and due to directors. It is management’s opinion that the Corporation is not exposed to significant interest, currency or credit risk arising from these financial instruments. Due to their short term nature, the fair value of these financial instruments approximates their carrying value.

MANAGEMENT’S RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation of the consolidated financial statements and other financial information relating to the Corporation included in this interim report. The consolidated financial statements have been prepared in accordance with generally accepted accounting principles in Canada and necessarily include amounts based on estimates and judgements of management. Management has established these amounts in a reasonable manner, in order to ensure that the consolidated financial statements are presented fairly in all material respects. The Corporation has established and maintains disclosure controls and procedures over financial reporting. The certifying officers have evaluated the effectiveness of the issuer’s disclosure controls and procedures as at January 31, 2007 and have concluded that such procedures are adequate and effective to ensure accurate and complete disclosures in this interim report.

(Signed: André C. Tessier)
President & CEO
Montreal, Quebec
March 23, 2007

(Signed: Mark Schneiderman)
Secretary-Treasurer & CFO