

**TAN RANGE
EXPLORATION
CORPORATION**



TAN RANGE EXPLORATION CORPORATION

**Consolidated Financial Statements
For the Three Months Ended November 30, 2005 and 2004**

**Unaudited
Prepared by Management
Vancouver, B.C.**



Tan Range Exploration Corporation
Consolidated Financial Statements
For the Three Months Ended November 30, 2005 and 2004

Notice

The accompanying unaudited interim financial statements of Tan Range Exploration Corporation (the "Company") have not been reviewed by the Company's auditors.



Tan Range Exploration Corporation
 Consolidated Balance Sheet
 As at November 30, 2005 and August 31, 2005

ASSETS	November 30, 2005	August 31, 2005
Current Assets		
Cash and short term deposits	\$ 1,352,675	\$ 1,395,468
Accounts and other receivables	64,060	77,677
Inventory	86,400	49,934
Prepaid expenses and deposits	<u>146,805</u>	<u>73,273</u>
	1,649,940	1,596,352
Mineral properties and deferred exploration and development costs (note 3)	20,216,067	19,739,275
Equipment and leasehold improvements	<u>899,245</u>	<u>922,056</u>
	<u><u>\$ 22,765,252</u></u>	<u><u>\$ 22,257,683</u></u>
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 121,459	\$ 172,812
Current portion of obligations under capital lease	<u>44,064</u>	<u>34,634</u>
	165,523	207,446
Obligations under capital lease	156,993	175,011
 Shareholders' Equity		
Share capital (note 4)	45,789,796	44,839,796
Share subscriptions received	834,264	813,828
Deficit	<u>(24,181,324)</u>	<u>(23,778,398)</u>
	<u>22,442,736</u>	<u>21,875,226</u>
	<u><u>\$22,765,252</u></u>	<u><u>\$22,257,683</u></u>

"James E. Sinclair", Director

"Victoria M. Luis", Director

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Tan Range Exploration Corporation
 Consolidated Statements of Operations and Deficit
 For the Three Months Ended November 30, 2005 and 2004

	November 30, 2005	November 30, 2004
EXPENSES		
Amortization	\$ 24,916	\$ 12,544
Annual General Meeting	--	2,500
Capital Tax	--	3,243
Consulting and Management Fees	29,836	30,574
Insurance	23,258	17,770
Memberships, courses and publications	2,721	--
New Property Investigation Costs	4,692	44,090
Office and Administration	22,772	20,470
Office Rentals	16,957	9,973
Press Releases	5,190	22,584
Printing and Mailout	2,388	8,024
Professional Fees	17,893	10,386
Promotion and Shareholder Relations	1,838	1,627
Salaries and Benefits	171,663	146,147
Telephone and Fax	6,373	7,436
Transfer Agent and Listing	28,531	8,395
Travel and Accommodation	<u>19,668</u>	<u>7,025</u>
	378,696	352,788
OTHER (INCOME) EXPENSE		
(Interest Earned), Net of expense	(5,010)	(515)
Interest – Capital lease	5,396	--
Gain on sale of short-term investment	--	(2,527)
Foreign exchange (Gain) Loss	<u>23,844</u>	<u>94,278</u>
	24,230	91,236
NET LOSS FOR THE PERIOD	402,926	444,024
DEFICIT, BEGINNING OF PERIOD	<u>23,778,398</u>	<u>20,847,335</u>
DEFICIT, END OF PERIOD	<u>\$24,181,324</u>	<u>\$21,291,359</u>
Basic and diluted loss per share	\$.005	\$.005
Weighted average shares outstanding	<u>85,144,786</u>	<u>82,591,109</u>

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Tan Range Exploration Corporation
Consolidated Statement of Changes in Financial Position
For the Three Months Ended November 30, 2005 and 2004

	November 30, 2005	November 30, 2004
Cash provided from (used for)		
Operating activities		
Loss for the period	\$ (402,926)	\$ (444,024)
Items not affecting cash:		
Amortization	24,916	12,544
Gain on sale of short-term investment	--	(2,527)
Change in non-cash working capital items		
Accounts and other receivable	13,617	17,005
Inventory	(36,466)	--
Prepaid expenses	(73,532)	(15,719)
Accounts Payable	<u>(51,353)</u>	<u>61,224</u>
	<u>(147,734)</u>	<u>62,510</u>
	(525,744)	(371,497)
Investing Activities		
Mineral properties and deferred exploration	(476,792)	(457,953)
Short term investments	--	417,728
Repayment of obligations under lease	(8,588)	
Capital asset (additions) disposals, net	<u>(2,105)</u>	<u>(34,373)</u>
	(487,485)	(74,598)
Financing Activities		
Share capital issued	136,172	509,600
Share Subscriptions received	<u>834,264</u>	<u>125,000</u>
	<u>970,436</u>	<u>634,600</u>
NET INCREASE (DECREASE) IN CASH	(42,793)	188,505
CASH BEGINNING OF PERIOD	<u>1,395,468</u>	<u>1,067,448</u>
CASH END OF PERIOD	<u>\$1,352,675</u>	<u>\$1,255,953</u>
Supplemental Information		
Issuance of share capital for share subscriptions previously received, a non-cash transaction	<u>\$ 813,828</u>	<u>\$ --</u>

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Tan Range Exploration Corporation

Summary of Note Disclosure to the Consolidated Financial Statements
For the Three Months Ended November 30, 2005 and 2004
(Unaudited)

1. Nature of operations

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral deposits that are economically recoverable. The recoverability of the amounts shown for mineral properties and related deferred costs are dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain necessary financing to explore and develop, and upon future profitable production or proceeds from disposition of the mineral properties. The amounts shown as deferred expenditures and property acquisition costs represent net costs to date, less amounts recovered, amortized and/or written off, and do not necessarily represent present or future values.

2. Significant accounting policies

These interim consolidated financial statements of Tan Range Exploration Corporation (the "Company") have been prepared by management, and have not been audited or reviewed by an independent public accountant. These interim consolidated financial statements do not include all disclosures required by Canadian generally accepted accounting principles for annual financial statements, and accordingly, these interim consolidated financial statements should be read in conjunction with the Company's most recent annual consolidated financial statements. These interim consolidated financial statements follow the same accounting policies and methods of application as the Company's audited annual consolidated financial statements as at and for the year ended August 31, 2005.

These interim consolidated financial statements include the accounts of the Company and its subsidiaries.

Tan Range Exploration Corporation

Consolidated Statement of Mineral Properties and

Deferred Exploration and Development Cost

For the Three Months Ended November 30, 2005 and Year Ended August 31, 2005

3. Mineral properties and deferred exploration and development costs:

The continuity of expenditures on mineral properties is as follows:

	Itetemia Project (a)	Luhala Project (b)	Kigosi (c)	Lunguya (d)	Kanagele (e)	Tulawaka (f)	Ushirombo (g)	Mbogwe (h)	Biharamulu (i)	Other (j)	Total
Balance, August 31, 2003	\$ 6,563,782	\$ 2,579,230	\$ 1,497,381	\$ 2,593,338	\$ 854,701	\$ 1,557,708	\$ 930,242	\$ 1,044,912	\$ 642,450	\$ 408,702	\$18,672,446
Exploration expenditures:											
Camp, field supplies and travel	-	13,967	-	5,528	3,406	-	1,098	-	2,259	21,386	47,644
Exploration and field overhead	-	168,588	39,175	129,371	101,526	56,643	52,614	41,485	28,182	348,888	985,189
Geological consulting and field wages	18,717	1,274	-	-	-	-	-	-	-	(21,113)	(19,839)
Geophysical and geochemical	-	4,813	3,986	60,625	73,524	2,598	16,065	2,288	5,244	91,976	261,119
Property acquisition costs	-	50,546	-	-	21,706	-	-	-	274	164,833	237,359
Parts and equipment	-	108	-	-	-	-	-	-	-	109	217
Trenching and drilling	-	1,095	-	-	-	-	-	-	-	-	1,095
Option payments received	(17,496)	-	(58,811)	-	-	(88,926)	(123,275)	(17,496)	(25,930)	-	(331,934)
Reclassifications	-	-	286,762	-	-	-	(286,762)	-	-	-	-
	1,221	240,391	271,112	195,524	200,162	(29,685)	(340,260)	26,277	10,029	606,079	1,180,850
Balance, August 31, 2004	6,565,003	2,819,621	1,768,493	2,788,862	1,054,863	1,528,023	589,982	1,071,189	652,479	1,014,781	19,853,296
Exploration expenditures:											
Camp, field supplies and travel	339	17,089	-	4,432	20,091	-	6,248	1,849	-	111,172	161,220
Exploration and field overhead	2,800	142,948	28,278	29,945	68,848	16,095	63,611	36,488	14,109	534,210	937,332
Geological consulting and field wages	-	-	14,332	-	-	-	-	-	-	-	14,332
Geophysical and geochemical	-	30,200	-	42,932	33,298	34	9,271	1,893	1,393	83,610	202,631
Property acquisition costs	18,635	92,788	16,549	-	60,149	12,075	-	-	-	242,019	442,215
Parts and equipment	-	4,639	-	-	-	-	-	-	-	-	4,639
Trenching and drilling	-	40,593	-	-	899	3,502	-	-	-	9,739	54,733
Recoveries	(24,146)	-	-	-	-	(130,226)	-	(24,146)	(122,673)	-	(301,191)
	(2,372)	328,257	59,159	77,309	183,285	(98,520)	79,130	16,084	(107,171)	980,750	1,515,911
Write-offs	6,562,631	3,147,878	1,827,652	2,866,171	1,238,148	1,429,503	669,112	1,087,273	545,308	1,995,531	21,369,207
	(656,500)	-	-	(73,010)	-	-	(316,476)	(299,118)	(43,399)	(241,429)	(1,629,932)
Balance, August 31, 2005	5,906,131	3,147,878	1,827,652	2,793,161	1,238,148	1,429,503	352,636	788,155	501,909	1,754,102	19,739,275
Exploration expenditures:											
Camp, field supplies and travel	-	29,135	-	-	270	-	-	-	-	22,247	51,652
Exploration and field overhead	1,647	109,377	-	1,341	52,257	3,899	6,034	1,790	793	46,502	223,640
Geological consulting and field wages	3,162	-	-	-	-	-	-	-	-	-	3,162
Geophysical and geochemical	-	5,914	-	-	1,926	-	-	-	-	19,139	26,979
Property acquisition costs	-	-	21,802	-	31,352	12,871	-	-	-	59,223	125,248
Parts and equipment	-	-	-	-	-	-	-	-	-	-	-
Trenching and drilling	-	37,823	-	-	1,281	-	-	-	-	7,007	46,111
Recoveries	-	-	-	-	-	-	-	-	-	-	-
	4,809	182,249	21,802	1,341	87,086	16,770	6,034	1,790	793	154,118	476,792
Balance November 30, 2005	\$ 5,910,940	\$ 3,330,127	\$ 1,849,454	\$ 2,794,502	\$ 1,325,234	\$ 1,446,273	\$ 358,670	\$ 789,945	\$ 502,702	\$ 1,908,220	\$20,216,067



Tan Range Exploration Corporation

Summary of Note Disclosure to the Consolidated Financial Statements
For the Three Months Ended November 30, 2005 and 2004
(Unaudited)

4. Share Capital

<u>Share Capital</u>	<u>Number</u>	<u>Amount (\$)</u>
Balance at August 31, 2005	84,776,054	\$44,839,796
Issued for cash	63,424	136,172
Subscriptions previously received	<u>379,054</u>	<u>813,828</u>
Balance at November 30, 2005	<u>85,218,532</u>	<u>\$45,789,796</u>

All share capital issued during the quarter were issued to the Company's Chairman and CEO, and all share subscriptions received in the quarter were also received from him.

5. Options Outstanding

<u>Type of Security</u>	<u>Number of Shares</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
Options	5,000	\$0.51	August 7, 2006
Options	362,500	\$0.79	May 3, 2007
Options	<u>50,000</u>	\$0.83	June 20, 2007
	<u>417,500</u>		

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