

ABENTEUER RESOURCES CORP.
INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
JUNE 30, 2006
(UNAUDITED)

These interim financial statements have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial Statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

ABENTEUER RESOURCES CORP**INTERIM BALANCE SHEET**

(UNAUDITED)

Statement 1

	June 30 2006	December 31 2005 (Audited)
ASSETS		
Current Assets		
Cash and term deposits	\$ 300,971	\$ 18,526
Accounts receivable	37,548	69,122
Prepaid expenses	5,011	--
	<u>343,530</u>	<u>87,648</u>
Property and Equipment		
Property and equipment - <i>Note 2</i>	1,905,211	1,214,445
TOTAL ASSETS	\$ 2,248,741	\$ 1,302,093
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 510,278	\$ 225,484
Long Term Liabilities		
Asset retirement obligation - <i>Note 3</i>	89,923	76,440
SHAREHOLDERS' EQUITY		
Share Capital - <i>Note 4</i>	2,054,517	1,172,389
Warrants	62,635	19,500
Contributed Surplus	32,710	32,710
Retained Earnings (Deficit) - <i>Statement 2</i>	(501,322)	(224,430)
	<u>1,648,540</u>	<u>1,000,169</u>
TOTAL LIABILITIES AND EQUITY	\$ 2,248,741	\$ 1,302,093

Subsequent Events – Note 7**On behalf of the Board***"J. Lewis Dillman* Director*"Jamie Lewin"* Director*The accompanying notes are an integral part of these interim financial statements*

ABENTEUER RESOURCES CORP.

INTERIM STATEMENT OF RETAINED EARNINGS (DEFICIT)

(UNAUDITED)

Statement 2

	Three months ended		Six Months ended	
	June 30	June 30	June 30	June 30
	2006	2005	2006	2005
Balance – beginning of the period	\$ (346,285)	\$ (28,567)	\$ (224,430)	\$ 11,236
Net earnings (loss) for the period	(155,037)	(184,516)	(276,892)	(224,319)
Retained earnings – end of the period	\$ (501,322)	\$ (213,083)	\$ (501,322)	\$ (213,083)

The accompanying notes are an integral part of these interim financial statements

ABENTEUER RESOURCES CORP.**INTERIM STATEMENT OF OPERATIONS**

(UNAUDITED)

Statement 3

	Three months ended		Six Months ended	
	June 30 2006	June 30 2005	June 30 2006	June 30 2005
Income				
Oil and gas sales, net of royalties	\$ 175,679	\$ 81,426	\$ 254,403	\$ 119,771
Expenses				
Administration expenses – <i>Note 5</i>	90,790	127,120	174,326	169,638
Depletion, amortization and accretion	157,000	116,696	243,113	139,941
Oil and gas operating costs	82,926	22,126	113,856	34,511
	<u>330,716</u>	<u>265,942</u>	<u>531,295</u>	<u>344,090</u>
Net earnings (loss) for the period	\$ (155,037)	\$ (184,516)	\$ (276,892)	\$ (224,319)
Net earnings (loss) per share	\$ (0.01)	\$ (0.03)	\$ (0.03)	\$ (0.04)

The accompanying notes are an integral part of these interim financial statements

ABENTUEUR RESOURCES CORP.

INTERIM STATEMENT OF CASH FLOWS

(UNAUDITED)

Statement 4

	Three months ended		Six Months ended	
	June 30 2006	June 30 2005	June 30 2006	June 30 2005
CASH PROVIDED BY (USED IN)				
Operating Activities				
Net earnings (loss) for the period - <i>Statement 3</i>	\$ (155,037)	\$ (184,516)	\$ (276,892)	\$ (224,319)
Add items not requiring cash payment				
Depletion, amortization and accretion	157,000	116,696	243,113	139,941
	1,963	(67,820)	(33,779)	(84,378)
Changes in non-cash working capital relating to operations	(168,036)	25,355	329,883	(6,356)
	(166,073)	(42,465)	296,104	(90,734)
Financing Activities				
Issuance of share capital - <i>net of costs</i>	8,000	--	917,864	--
	8,000	--	917,864	--
Investing Activity				
Property and equipment-net of disposals	22,635	(79,450)	(931,523)	(299,450)
Increase (decrease) in cash	(135,438)	(121,915)	282,445	(390,184)
Cash – beginning of period	436,409	276,519	18,526	544,788
Cash – end of period	\$ 300,971	\$ 154,604	\$ 300,971	\$ 154,604

The accompanying notes are an integral part of these interim financial statements

ABENTEUER RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED JUNE 30, 2006

(UNAUDITED)

NOTE 1 **SIGNIFICANT ACCOUNTING POLICIES**

The interim unaudited financial statements of Abenteuer Resources Corp. (“the Company”) have been prepared by management in accordance with accounting policies generally accepted in Canada. The interim unaudited financial statements have been prepared following the same accounting policies and methods of computation as the financial statements for the fiscal year ended December 31, 2005. The interim financial statements should be read in conjunction with the financial statements and the notes thereto in the Company’s annual report for the year ended December 31, 2005.

NOTE 2 **PROPERTY AND EQUIPMENT**

		Accumulated Depletion and <u>Amortization</u>	June 30 2006 Net Book Value
Computer equipment	\$ 10,504	\$ 1,237	\$ 9,267
Petroleum & natural gas properties	<u>2,740,228</u>	<u>844,284</u>	<u>1,895,944</u>
	<u>\$ 2,750,732</u>	<u>\$ 845,521</u>	<u>\$ 1,905,211</u>

		Accumulated Depletion and <u>Amortization</u>	December 31 2005 Net Book Value
Computer equipment	\$ 8,249	\$ 1,237	\$ 7,012
Petroleum & natural gas properties	<u>1,833,077</u>	<u>625,644</u>	<u>1,207,433</u>
	<u>\$ 1,841,326</u>	<u>\$ 626,881</u>	<u>\$ 1,214,445</u>

At June 30, 2006, petroleum and natural gas properties included \$nil (2005 - \$nil) relating to unproved properties which have been excluded from the depletion calculation.

No general and administrative costs were capitalized during the quarter (2005 – \$nil).

NOTE 3 **ASSET RETIREMENT OBLIGATION**

Changes to the asset retirement obligation for the six months ended June 30, 2006 are as follows:

	<u>2006</u>
Balance at the beginning of the period	\$ 76,440
Accretion	2,813
Liabilities disposed of	(8,013)
Liabilities incurred	<u>18,683</u>
Balance at the end of the period	\$ 89,923

ABENTEUER RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2006

(UNAUDITED)

NOTE 4 **SHARE CAPITAL**

Authorized:

Unlimited number of voting common shares without nominal or par value

Unlimited number of preferred shares without nominal or par value

Issued:

As at December 31, 2005	7,306,600	\$ 1,172,389
Units issued for cash	1,317,333	351,400
Flow through shares issued for cash	1,968,333	590,500
Shares issued for cash	20,000	6,000
Warrants exercised	20,000	8,665
Share issue costs	-	(74,437)
As at June 30, 2006	<u>10,632,266</u>	<u>\$ 2,054,517</u>

Share purchase warrants

As at December 31, 2005	1,190,000	19,500
Exercised during the period	(20,000)	(665)
Issued in the period	<u>1,317,333</u>	<u>43,800</u>
As at June 30, 2006	<u>2,487,333</u>	<u>\$ 62,635</u>

Contributed Surplus

As at December 31, 2005 and June 30, 2006	<u>\$ 32,710</u>
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Per share amounts were calculated using the weighted average number of common shares outstanding of 10,632,266. The stock options were not included in the diluted earnings per share calculation because to do so would be anti-dilutive.

Stock Options

The Company has a Directors' and Management Stock Option Plan (the "Plan") that allows the Company's board of directors to grant options as an additional incentive for directors, officers, employees and consultants to invest in the Company's common shares and thereby increase their equity and proprietary interest in the Company. All of the options which have been issued to date by the Corporation have been issued according to the Plan.

ABENTEUER RESOURCES CORP.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2006

(UNAUDITED)

NOTE 4 **SHARE CAPITAL (Continued)**

Under the Plan, options may be granted to purchase the Company's common shares up to the maximum number of shares permitted under the rules of the DDNX (currently 10% of the total outstanding common shares, with a maximum number of common shares optioned to any one optionee of no more than 5% of the total outstanding common shares). The exercise price of such options on the date of the grant cannot be less than the market price of the common shares on the CDNX less the permissible discount allowed by that exchange.

Stock option activity with respect to the Company's stock option plan is as follows:

	<u>Number of Shares</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
Balance December 31, 2005 and June 30, 2006	570,000	\$ 0.15	December 2006

Share purchase warrants

In August and September 2005 the Company issued 1,190,000 units at \$0.25 per share for gross proceeds of \$297,500. Each unit is comprised of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$ 0.40. The warrants expire in August and September 2006.

In February and March 2006 the Company completed a private placement of 3,305,666 shares for gross proceeds of \$991,699 of which 1,337,333 were units consisting of one common share and one warrant exercisable at \$0.40 per share until March 9, 2007 and 1,968,333 were flow-through shares.

Subsequent to March 31, 2006 the Company learned that that one of the subscribers for flow-through shares did not qualify and so was issued common shares with no warrants attached.

The 3,305,666 flow-through shares and units issued in March 2006 are subject to a trading hold until July 9, 2006.

ABENTEUER RESOURCES CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2006
(UNAUDITED)

NOTE 5 **ADMINISTRATION EXPENSES**

Administration expenses consisted of the following:

	<u>3 Months ending June 30</u>	<u>6 Months ending June 30</u>
Travel expense	21,435	22,838
Management fees	15,000	30,000
Professional fees	19,967	62,595
Business promotion	6,100	9,829
Listing and filing fees	3,232	7,367
Office rent	4,500	9,000
Office expenses	8,269	18,485
Shareholder reporting	12,287	14,212
	<u>\$ 90,790</u>	<u>\$ 174,326</u>

NOTE 6 **RELATED PARTY TRANSACTIONS**

Included in administration expenses for the 6 months ended June 30, 2006 is \$30,000 (2005 - \$19,000) in management fees paid to a director of the Company and \$44,000 (2005 -\$17,270) paid to an officer of the Company for legal services

NOTE 7 **SUBSEQUENT EVENTS**

Subsequent to June 30, 2006, Jamie Lewin was elected to the Board of Directors and was appointed Chief Financial Officer.