

Champion Natural Health.com Inc.

Balance Sheets

	As at June 30, 2006 \$ (unaudited)	As at March 31, 2006 \$
Assets		
Current		
Cash	391	-
Deposit	10,000	-
	<hr/> 10,391	<hr/> -
Liabilities		
Current		
Accounts payable and accrued liabilities	30,749	15,597
Loan payable (note 4)	96,730	77,120
	<hr/> 127,479	<hr/> 92,717
Shareholders' equity		
Capital stock	3,456,987	3,456,987
Contributed surplus	137,800	137,800
Deficit	(3,711,875)	(3,687,504)
	<hr/> (117,088)	<hr/> (92,717)
	<hr/> 10,391	<hr/> -

See accompanying notes to financial statements

Champion Natural Health.com Inc.

Statements of Operations and Deficit

3 months ended June 30
2006 **2005**
\$ **\$**
(unaudited) (unaudited)

General and administrative expenses		
Professional fees	18,594	-
Consulting fees	3,210	9,000
General office	2,567	8,926
Loss for the period	24,371	17,926
Deficit, beginning of period	3,687,504	3,610,070
Deficit, end of period	3,711,875	3,627,996
Loss per share	Nil	Nil

See accompanying notes to financial statements

Champion Natural Health.com Inc.

Statements of Cash Flows

3 months ended June 30
 2006 2005
 \$ \$
 (unaudited) (unaudited)

Cash provided by (used in)		
Operating activities		
Loss for the period	(24,371)	(17,926)
Changes in non-cash operating working capital		
Deposit	(10,000)	
Accounts payable	15,152	1,182
	<u>(19,219)</u>	<u>(16,744)</u>
Financing activities		
Loan payable	19,610	11,845
	<u>391</u>	<u>(4,899)</u>
Net increase (decrease) in cash	391	(4,899)
Cash, beginning of period	-	6,085
Cash, end of period	391	1,186
Supplementary information		
Interest paid	-	-
Income taxes paid	-	-

See accompanying notes to financial statements

Champion Natural Health.com Inc.

Notes to Interim Financial Statements

June 30, 2006

(unaudited)

1. Management's comments on unaudited financial statements

These unaudited interim financial statements of Champion Natural Health.com Inc. (the "Company") for the 3 months ended June 30, 2006 have been prepared by management and approved by the Board of Directors of the Company. These financial statements have not been reviewed by the Company's external auditors.

2. Accounting presentation and disclosures

These interim financial statements Company have been prepared using accounting policies that are consistent with the policies used in preparing the Company's annual financial statements. Generally accepted accounting principles for interim financial statements do not conform in all respects to the disclosures required for annual financial statements, and accordingly, these interim financial statements should be read in conjunction with the annual consolidated financial statements.

3. Nature of operations

The Company has changed its business and operates in the exploration and development of mineral resource properties. As at June 30, 2006, the Company has not yet acquired any mineral resource properties.

The Company is in the development stage and the continued operations of the Company the ability of the Company to acquire mineral resource properties and obtain financing to complete the development of the mineral resource properties and upon future profitable production, or alternatively, upon the Company's ability to recover its costs through a disposition of its interests.

These unaudited financial statements have been prepared on a going-concern basis, which assumes the continuity of operations and realization of assets and the settlement of liabilities in the normal course of business.

4. Loan payable

The loan is payable to a corporation controlled by a director of the Company and in non-interest bearing and due on demand.

5. Share capital

As at June 30, 2006 and March 31, 2006, share capital consists of 9,158,303 issued and outstanding subordinate shares and 217,758 multiple voting shares.

Stock options

As at June 30, 2006 and March 31, 2006, there were no stock options outstanding.

Warrants

As at June 30, 2006 and March 31, 2006, there were 500,000 subordinate voting share purchase warrants outstanding, with each warrant entitling the holder to purchase one subordinate voting share for US\$0.60 until September 2, 2006.

6. Subsequent events

Shareholders will be asked at the meeting to be held on September 13, 2006 to approve a conversion of each of the outstanding multiple voting shares into a fixed number of subordinated voting shares, followed by a consolidation (the "Consolidation") of all outstanding shares of on the basis of up to six old shares for one new common ("Post Consolidated Shares), with the actual consolidation ratio to be determined by the board of directors following the Meeting. Shareholders will also be asked to approve a change in the name of the Corporation to Champion Metals Inc., or such other name as may be approved by the board of directors and applicable regulatory authorities.

The Company entered into an option agreement (the "Option Agreement") to acquire a 70% interest in a mineral exploration property, the Powderhorn Lake Project (the "Powderhorn Property"), which consists of a total of 115 claims covering an area of 29 square kilometers situated in the Buchans-Robert's Arm Belt in Central Newfoundland.

Pursuant to the Option Agreement, the Company has the option to acquire a 70% interest in the Powderhorn Property by: i) paying \$50,000; ii) incurring exploration expenditures of \$1,000,000 on the Powderhorn Property on or before the third anniversary of the execution date of the Option Agreement in the following yearly increments: \$200,000 in year one, \$300,000 in year two, and \$500,000 in year three; and iii) issuing 600,000 Post Consolidated Shares as follows: 100,000 shares upon completion of the Consolidation, 150,000 shares before the first anniversary of the Option Agreement, 250,000 shares before the second anniversary of the Option Agreement, and 100,000 shares before the third anniversary of the Option Agreement; or upon completion of exploration expenditures required pursuant to the Option Agreement, or promptly after an economic discovery as evidenced by a pre-feasibility study has been made on the Powderhorn Property.

The Powderhorn Property is currently encumbered with a 2.85% net smelter royalty ("NSR"), of which 1.85% can be purchased by the joint venture participants for \$2,300,000 to reduce the NSR to 1.0%.

The completion of the Option Agreement is subject to the receipt of all necessary regulatory approvals.

The Company also announced that following the conversion, consolidation and name change, it intends to proceed with a private placement of post-consolidation shares. The Company intends to use the proceeds from the private placement as general working capital and to complete the initial phase of the exploration program on the Powderhorn Property. The Company may also issue post-consolidation shares at the same price and terms as set in the private placement to settle outstanding debts of up to \$200,000.