

New Millennium Capital Corp.

THIRD QUARTER REPORT
2006



MESSAGE TO SHAREHOLDERS

New Millennium Capital Corp. (“NML” or the “Corporation”) is pleased to report its unaudited financial and operational results for the three and nine month periods ended September 30, 2006.

The significant third quarter activities were:

- The successful completion of a Pre-feasibility Study (“PFS”)
- The establishment of proven and probable reserves totalling 3.5 billion tonnes
- Tests showing pellets have excellent chemical, physical and metallurgical properties
- Completion of an equity financing of approximately \$10 million net proceeds
- The reduction of royalties payable

Significant activities subsequent to the third quarter were:

- Miller Mathis & Co. retained as Strategic Advisors
- Qualification of Unit Special Warrants and Flow-Through Special Warrants
- Announcement of an equity finance offering of approximately \$35 million gross proceeds.

MANAGEMENT’S DISCUSSION AND ANALYSIS

The following discussion and analysis of the financial results for the interim period ended September 30, 2006 should be read in conjunction with the Corporation’s unaudited interim financial statements and related notes contained in this report and the audited financial statements and MD&A for the year ended December 31, 2005. This interim MD&A is dated November 28, 2006.

Certain statements included in this discussion may constitute forward-looking statements that involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Corporation, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include changes in government regulations, general economic conditions and business conditions, which among other things may affect demand for the Corporation’s services and the ability of the Corporation to implement its business strategy.

RESULTS OF OPERATIONS

Pre-feasibility Study

On July 5, 2006 (News Release 06-13), NML announced the results of the PFS of the Project undertaken by Met-Chem Canada Inc. The PFS, which was reviewed by the firm of Watts, Griffis and McQuat (“WGM”) and others with expertise critical to certain aspects of the Project, demonstrates that the Labrador-based Project has the potential to introduce a significant new source of iron ore, with Proven and Probable Mineral Reserves of 3.5 billion tonnes, thereby significantly enhancing shareholder value. The Project includes a mine and concentrator at Howells River, Labrador, a pellet plant at Emeril, near Ross Bay Junction, Labrador and a ship loading facility at Pointe-Noire, Quebec.

The positive project economics demonstrated in the PFS have allowed the Mineral Resources to be reclassified as Mineral Reserves according to the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) guidelines. The Mineral Reserves, which are based on diamond drill core data, are outlined in Table 1.

Highlights of the Pre-feasibility Study as updated on July 10, 2006 (News Release 06-14) and August 9, 2006 (News Release 06-17) are:

- Proven and Probable Mineral Reserves of 3.5 billion tonnes
- Total capital cost, including working capital, of US \$2.75 billion
- Internal rate of return (“IRR”) of 15.8% (before corporate taxes, mining taxes and 2% gross revenue royalty)
- Return on equity (“ROE”) of 23.3% (before corporate taxes, mining taxes and 2% gross revenue royalty) ⁽¹⁾
- Net present value (“NPV”) of US\$4.0 billion (before corporate taxes, mining taxes and 2% gross revenue royalty) ⁽²⁾
- 5 year payback after the start of commercial production
- 65 year mine life
- 810 direct jobs at the mine, concentrator and pellet plant

(1) Based on a 30/70 equity/debt ratio

(2) Based on a 5% discount rate

Other Project highlights as given on July 10, 2006 (News Release 06-14) are:

- Anticipated start of construction during 2nd quarter 2008
- Anticipated start of commercial production in 2011
- Accuracy of the cost estimates in the PFS is considered to be $\pm 25\%$
- Exchange rate used for cost estimates and revenues is US\$ 0.85 per CDN\$
- Operating cash cost of US\$ 28.9 per tonne of pellets
- Total undiscounted cash flow of US\$ 10.0 billion (before corporate taxes, mining taxes and 2% gross revenue royalty)
- Forecast average yearly cash flow after debt payments and before corporate taxes, mining taxes and 2% gross revenue royalty, exceeds US\$ 400 million
- Economics presented are based on a 25 year mine plan
- Mine life is expected to exceed 65 years, based on current Proven and Probable Mineral reserves and throughput of 51.6 mtpy

The audit of the Pre-feasibility Study was completed on August 18, 2006, and an updated National Instrument 43-101 Technical Report by WGM was posted on www.sedar.com. That report includes a summary of the results from the Pre-feasibility Study.

Proven and Probable Reserves

Also included in the NML announcement of July 5, 2006 (News Release 06-13) was the following Table summarizing the Mineral Reserves, which are based on diamond drill core data.

Table 1
Iron Ore Mineral Reserves (Met-Chem, 2006)

Classification	Tonnes (millions)	DTWR* (%)	Crude Fe (%)	Concentrate	
				Fe (%)	SiO ₂ (%)
Proven	2,981	26.7	29.7	70.1	2.1
Probable	564	24.4	28.7	69.5	2.4
Total**	3,545	26.3	29.6	70.0	2.2

* Davis Tube Weight Recovery

** Based on a stripping ratio of 1:0.286 tonnes of Inferred Mineral Resources and waste rock per tonne of Mineral Reserves

The Mineral Reserves were established using the following parameters:

- Mining recovery of 100% of Proven and Probable Mineral Reserves
- DTWR% cut-off grade of 18%
- Overall pit slope angle of 48 degrees
- Dilution included with anticipated 13 metre bench mining

The Proven Mineral Reserves of 2,981 million tonnes has increased Canada's total Proven Mineral Reserves of iron ore from 1.7 billion tonnes to 4.7 billion tonnes (175%).

Pellet Quality

The third subject addressed in the NML announcement of July 5, 2006 (News Release 06-13) was the quality of LabMag pellets, and the following Table summarized the results of pellet tests at Studiengesellschaft für Eisenerzaufbereitung ("SGA") Germany:

Table 2
Pellet Quality Parameters (SGA, 2006)

	Acid pellets with 1% Limestone	Fluxed Pellets (Basicity* of 0.7)
Fe (%)	66.8	65.5
SiO₂ (%)	3.58	3.63
Compression (kg)	290	266
Tumble (%>6.3mm)	96.9	96.9
Dynamic LTD** (%>6.3mm)	93.1	85.9

* Basicity defined as CaO/SiO₂

** Low Temperature Disintegration

These pellet quality results demonstrate that the LabMag acid and fluxed pellets have excellent chemical, physical and metallurgical properties in accordance with German standards, which are widely recognized in the industry as being the most demanding in the world.

Equity Financing

On July 11, 2006, (News Release 06-15) NML announced that it had entered into an engagement agreement with Raymond James Ltd. (the "Agent") in connection with a proposed equity financing (the "Financing") of approximately \$10 million comprised of a minimum of \$7 million of common share

units (the "Common Share Units") and up to \$3 million of flow-through shares (the "Flow-Through Shares"). Each Common Share Unit was comprised of one common share (a "Common Share") and one-half of a common share purchase warrant (a "Warrant"). Each whole Warrant entitled the holder to acquire one Common Share for a period of 24 months following the closing of the Financing. Each Flow-Through Share was comprised of one Common Share issued as a "flow-through share" within the meaning of the Income Tax Act (Canada).

The Common Share Units and Flow-Through Shares were priced in the context of the market prior to closing of the Financing.

On July 28, 2006 (News Release 06-16), NML reported that it had reached an agreement with Raymond James Ltd. and Research Capital Corporation regarding the proposed pricing and structure of the brokered equity financing announced on July 11, 2006. In accordance with this agreement, NML offered from treasury (i) a minimum of \$7.0 million of special warrants (the "Special Warrants") at \$0.75 per Special Warrant and (ii) up to \$3.0 million of flow-through special warrants (the "FT Special Warrants") at \$0.85 per FT Special Warrant. Each Special Warrant consisted of one unit ("Unit") comprising one common share ("Share") and one half of one common share purchase warrant ("Warrant"). Each whole Warrant was exercisable into one common share (a "Warrant Share") for a period of twenty four months from Closing at an exercise price of \$1.00 per Share. Each FT Special Warrant consisted of one flow-through common share ("Flow-Through Share").

NML agreed to use commercially reasonable efforts to obtain a receipt for a final prospectus qualifying the issue of the Units and Flow-Through Shares. In the event NML had failed to obtain receipts for a final prospectus by the 45th day from the closing date, each Special Warrant would have entitled the holder to acquire 1.1 Shares and 0.55 Warrants.

On August 23, 2006 (News Release 06-20), NML announced that the closing of the equity financing had been completed for gross proceeds of \$11,100,500. NML issued 10,800,000 unit special warrants (the "Unit Special Warrants") at a price of \$0.75 per Unit Special Warrant and 3,530,000 flow-through special warrants (the "Flow-Through Special Warrants") at a price of \$0.85 per Flow-Through Special Warrant. Each Unit Special Warrant was exercisable for no additional consideration into one Unit or one flow-through common share ("Flow-Through Share") on the earlier of (i) five business days after the day upon which a decision document ("Decision Document") for a final prospectus that qualifies the distribution of the Units and Flow-Through Shares has been issued and (ii) December 24, 2006. Each Unit is comprised of one common share ("Common Share") and one half of one common share purchase warrant ("Warrant").

As consideration for their services in connection with the financing, Raymond James Ltd. and Research Capital Corporation (collectively, the "Agents") received a cash commission of 6% of the gross proceeds of the financing and Agents' Special Warrants, exercisable for no additional consideration into Agents' Warrants permitting the Agents to purchase Common Shares representing a number equal to 6% of the Unit Special Warrants and Flow-Through Special Warrants issued pursuant to the financing. The Agents' Warrants are exercisable at \$0.75 for a period of 18 months from the closing of the financing.

Reduction of Royalties Payable

On August 23, 2006 (News Release 06-20), NML announced that the royalty payable to the Naskapi Nation of Kawawachikamach ("NNK") had been reduced by 50%..

The Royalty Agreement among LabMag Mining Corp., NNK, NML and LabMag Limited Partnership of 11 August, 2004, provides that, within two years of the date thereof, NNK may assign to the Nation of Innu Matimekush-Lac John ("NIMLJ") one-half of the Royalty payable to NNK, namely 0.3333% of gross revenues.

On 11 August, 2006, NNK advised NML that NIMLJ had not confirmed its interest in accepting the foregoing transfer. Consequently, pursuant to the Royalty Agreement, the right of NNK to receive the Royalty was automatically reduced by one-half to 0.3333% of gross revenues. This reduced the total

Royalties payable on ores mined from the LabMag Iron Ore Project to 2% of gross revenue.

Granting of Stock Options

On September 13, 2006 (News Release 06-21), NML announced that it had granted stock options to acquire up to 1,500,000 common shares of NML to certain of its officers and directors. These options have an exercise price of \$0.75 per common share and expire on September 13, 2011. Fifty (50%) percent of the options vest immediately based on the previous publication of a positive pre-feasibility study that was announced on July 5, 2006 and the remaining fifty (50%) shall vest on the publication of a positive feasibility study.

SUBSEQUENT EVENTS

Miller Mathis & Co. retained as Strategic Advisors

On October 3, 2006 (News Release 06-22), NML announced that it had retained the services of Miller Mathis & Co., LLC, a New York-based strategic advisory firm that specializes in the steel and iron ore industries. In turn, Miller Mathis has retained World Steel Dynamics (WSD), the leading independent steel industry analyst firm, to assist them in the assignment.

Miller Mathis will attempt to assist NML in its continuing efforts to facilitate a strategic relationship between NML and one or more of the world's major steel or iron ore companies. It is expected that the strategic relationship would involve both short and long term financing for the LabMag Project in addition to entering into long term pellet off-take commitments.

Miller Mathis is one of the world's leading strategic advisory firms to the steel and iron ore industries. The firm currently represents steel and iron ore companies located in Australia, India, Italy, Japan, Mexico, Russia and the United States. Robert M. Miller, a Managing Director of Miller Mathis, will lead the engagement. Mr. Miller is widely regarded as one of the leading strategic advisors to the steel and iron ore sector.

Peter Marcus is the Managing Principal of WSD. Mr. Marcus is recognized as the leading independent steel analyst in the world. He is the co-sponsor of the annual "Steel Success Strategies" conference held in New York, which is attended by approximately 1,500 of the most important steel industry executives. Before founding WSD, Mr. Marcus was an Institutional Investor ranked steel analyst for many years at PaineWebber

NML is required to pay to Miller Mathis a minimum fee of US\$250,000, which could increase to a US\$4 million success fee if NML completes a specified transaction acceptable to NML with a strategic partner.

Qualification of Unit Special Warrants and Flow-Through Special Warrants

On October 5, 2006 (News Release 06-23), NML announced that it had obtained a final receipt from the securities regulators in each of the Provinces of British Columbia, Alberta, Ontario and Quebec for its final short form prospectus dated October 3, 2006 which qualified the distribution of: (i) 10,800,000 Common Shares of NML and 5,400,000 Warrants of NML, issuable upon the exercise or deemed exercise of 10,800,000 previously issued Unit Special Warrants of NML and; (ii) 3,530,000 Flow-Through Shares. In addition, the final short form prospectus qualified the distribution of 859,800 non-transferable Agents' Warrants to the Agents issuable on exercise of the Agents' Special Warrants which NML granted to the Agents pursuant to the Offering.

Announcement of Equity Financing

On November 15, 2006 (News Release 06-26), the Corporation announced that it had engaged a syndicate of underwriters led by TD Securities Inc. and including Raymond James Ltd., Research Capital Corporation and Dundee Securities Corporation to raise approximately C\$35 million pursuant

to an offering of units (the "Units") of the Corporation (the "Offering"). Each Unit will consist of one common share (a "Common Share") and one-half of one Common Share purchase warrant (a "Warrant"). Each whole Warrant will entitle the holder to acquire one Common Share for a period of 24 months after the closing of the Offering. The Units and the exercise price of the Warrants will be priced in the context of the market. The net proceeds of the Offering will be used to fund the completion of a feasibility study on the LabMag Project and for general working capital purposes. With respect to the Offering, a preliminary receipt has been issued by the securities regulators in each of the Provinces of Canada for its preliminary short form prospectus dated November 14, 2006.

FINANCIAL RESULTS

The following discussion of the Corporation's financial performance is based on the Interim Consolidated Financial Statements set forth herein. The Corporation restated its 2004 Audited Consolidated Financial Statements and its September 30, 2005 Interim Consolidated Financial Statements, as discussed in Note 7 to the September 30, 2006 Interim Consolidated Financial Statements. The following discussion of the Corporation's financial condition incorporates the effects of these restatements.

The Interim Consolidated Balance Sheet as of September 30, 2006 indicates a cash position of \$7,995,610, term deposits of \$2,514,701 and sales taxes and other receivables of \$681,926 resulting in total current assets of \$11,192,237, an increase of \$2,565,370 from December 31, 2005. The long-term assets are comprised of property and equipment of \$75,563, mineral properties of \$19,273,347 and advances on contracts of \$27,000. The total assets are \$30,568,147 which is an increase of \$12,113,148 from December 31, 2005.

Current liabilities at September 30, 2006 are composed of accounts payables and accrued liabilities of \$2,819,332, with the only long-term liability being future income taxes of \$1,682,759 for total liabilities of \$4,502,091, an increase of \$115,138 from December 31, 2005. Shareholders' equity of \$26,066,056 increased by \$11,998,010 from December 31, 2005, and is comprised of capital stock of \$27,269,530 and the contributed surplus of \$2,081,394 less the deficit of \$3,284,868.

Working capital, which is current assets less current liabilities, at September 30, 2006 of \$8,372,905, is an increase of \$2,902,487, over December 31, 2005 due to the additional capital raised during the period.

For the nine months' ended September 30, 2006 NML realized a net loss of \$1,266,063 or \$0.02 per share, compared to a net loss of \$728,224 or \$0.02 per share for the corresponding period in 2005. This loss represents operating expenses of \$2,167,630 (2005 - \$1,209,591) net of interest revenue of \$222,675 (2005 - \$53,648) and income taxes recoverable of \$678,892 (2005 - \$427,719). The increased loss is due to an increase in general and administrative, professional fees and stock based compensation expenses incurred in operating the Company during the period, which was only partially offset by the increased interest revenue and income taxes recoverable, and reduction in market development expenses.

The Corporation reported a net loss for the three months ended September 30, 2006 of \$661,905 or \$0.01 per share compared to a net loss of \$214,301 or \$0.01 per share in 2005. This loss represents operating expenses of \$919,549 (2005 - \$346,622), net of interest revenue of \$73,304 (2005 - \$11,321) and income taxes recoverable of \$184,340 (2005 - \$121,000). The increased loss is due to an increase in general and administrative, professional fees and stock based compensation expenses incurred in operating the Company during the period, which was only partially offset by the increased interest revenue and income taxes recoverable.

All costs associated with mineral properties, totalling \$19,273,347, as outlined in Note 3 to the September 30, 2006 Interim Consolidated Financial Statements, have been classified as deferred exploration costs. The cost centres for these capitalized items are: mineral licenses (\$2,787,716), resource evaluation (\$5,487,789), environmental (\$4,973,371), drilling (\$4,716,098), field labour and supplies (\$625,079), exploration (\$408,579), legal (\$181,309), and geological and evaluation (\$93,406).

During the third quarter, the Corporation completed an equity financing in which 10,800,000 unit special warrants consisting of a common share and one-half common share purchase warrant, and 3,530,000 flow-through special warrants consisting of one flow-through common share were issued resulting in gross proceeds to the Corporation of \$11,100,500. Net issuance costs relating to this placement were \$923,464.

In December 2005, the Corporation renounced Canadian Exploration Expense (CEE) of \$4,000,000 in favour of the purchasers of 2005 issuance of flow-through shares for which the renunciation documents were filed with Canada Revenue Agency in February 2006. As of September 30, 2006, the Corporation has fulfilled its spending commitments related to this renunciation. In the third quarter, the Corporation issued flow-through special warrants for which it is obligated to renounce \$3,000,500 of CEE effective in 2006. The Corporation has partially fulfilled this expected spending commitment by incurring in excess of \$900,000 on Canadian properties by September 30, 2006. The Corporation expects to expend the remaining \$2,100,500 by December 31, 2007.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected unaudited quarterly financial information of the Corporation for the eight quarters ended September 30, 2006. The Corporation's interim financial statements are prepared in accordance with Canadian GAAP and expressed in Canadian dollars. For the quarter ending December 31, 2004, the restatements reduced the net loss by \$261,600 and reduced the loss per share by \$0.02.

	Sept-06	June-06	Mar-06	Dec-05	Sept-05	Jun-05	Mar-05	Dec-04 Restated
Interest Revenue	73,304	56,554	92,817	39,983	11,321	18,034	24,293	15,159
Net Loss	(661,905)	(206,856)	(397,302)	(575,460)	(214,301)	(275,651)	(238,272)	(660,462)
Loss Per Share (1)	(0.01)	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.04)

Note (1) The effect of the exercise of stock options and warrants would be anti-dilutive for the purposes of calculating the fully diluted earnings per share.

THIRD QUARTER RESULTS

For the three months ended September 30, 2006, general and administrative expenses, market development and professional fees and other expenses were \$919,549 compared to \$346,622 for the corresponding period in 2005. The current quarter reflects a stock-based compensation charge of \$360,000 compared to \$25,000 for the corresponding period in 2005. These expenses were partially offset by income taxes recoverable of \$184,340 for which there was \$121,000 recovered in the third quarter of 2005. As a result the Corporation's loss for the third quarter ended September 30, 2006 totalled \$661,905 or \$0.01 per share compared to a loss of \$214,301 or \$0.01 per share for the comparative period in 2005.

LIQUIDITY AND CAPITAL RESOURCES

Working Capital

The Corporation's working capital at September 30, 2006 increased from December 31, 2005 by \$2,902,487 to \$8,372,905 due to issuance of shares during the quarter. The working capital consists of cash and cash equivalents, term deposits and sales taxes and other receivables net of accounts payable and accrued liabilities.

Capital Expenditures

There were capital expenditures of \$39,041 (2005 - \$56,522) during the first nine months of 2006, all for the acquisition of computer hardware, software and furniture and equipment.

Capital Resources

At September 30, 2006, NML has paid up capital of \$27,269,530 (December 31, 2005 - \$14,554,941) representing 63,381,690 (December 31, 2005 - 56,992,166) common shares and 14,330,000 (December 31, 2005 - Nil) special warrants, and a deficit of \$3,284,868 (December 31, 2005 - \$2,018,805) that is partially offset by contributed surplus of \$2,081,394 (December 31, 2005 - \$1,531,910) resulting in shareholders' equity of \$26,066,056 (December 31, 2005 - \$14,068,046).

TRANSACTIONS WITH RELATED PARTIES

During the third quarter, NML incurred directors' fees of \$5,300 (2005 - \$Nil), consulting fees of \$81,892 (2005 - \$76,294) to businesses owned by directors and \$148,184 (2005 - \$39,473) in expenditures for legal services to a law firm with a partner who is a director.

During the nine month period ending September 30, 2006, the Corporation incurred directors' fees of \$24,300 (2005 - \$Nil), consulting fees of \$151,279 (2005 - \$209,954) to businesses owned by directors and \$254,262 (2005 - \$91,807) in expenditures for legal services to a law firm with a partner who is a director.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Corporation's general and administrative expenses and resource property costs is provided in the Corporation's Consolidated Statement of Loss and Deficit and the Consolidated Schedule of Resource Property Costs contained in its Consolidated Financial Statements for December 31, 2005, 2004 and 2003 that is available on New Millennium's website at http://www.nmlresources.com/library/financial_statements.asp or on its SEDAR Page Site accessed through www.sedar.com.

OUTLOOK

The Corporation holds an 80% interest in the Howells River taconite resource which is located in the province of Newfoundland and Labrador ("NL") about 220 km north of Labrador City, NL, and 30 km northwest of Schefferville, QC. The development of this resource, which is called the LabMag Iron Ore Project, is the Corporation's main focus. The development contemplates the construction and operation of a mine, crusher, concentrator, slurry pipeline, pellet plant, shiploading facilities and related infrastructure. Subject to positive feasibility studies and project financing, it is expected that the final pellet product would be shipped by ocean vessels to markets in Canada, the United States, Western Europe and Asia.

BUSINESS RISKS

The Corporation is engaged in the exploration and development of mineral properties. These activities involve a high degree of risk which, even with a combination of experience, knowledge and careful evaluation, may not be overcome. Consequently, no assurance can be given that commercial quantities of minerals will be successfully found or produced.

DISCLOSURE OF OUTSTANDING SHARE DATA

The following information relates to share data of the Corporation.

1. Share capital

- (a) Authorized: Unlimited number of common voting shares. Unlimited number of preferred shares, without nominal or par value, issuable in series.
- (b) Issued as of September 30, 2006: The Corporation has 63,381,690 common shares issued (\$17,092,494).
- (c) Issued as of November 28, 2006: The Corporation has 77,711,690 common shares issued (\$27,269,530).

On October 12, 2006 the Corporation issued 14,330,000 common shares upon the deemed exercise of the 10,800,000 unit special warrants and the 3,530,000 flow-through special warrants described in Item 2.

2. Special warrants

The Corporation issued through a private placement during the quarter 10,800,000 unit special warrants consisting of a common share and one-half common share purchase warrant, and 3,530,000 flow-through special warrants consisting of one flow-through common share (\$10,177,036).

3. Options

The Corporation has adopted an incentive stock option plan whereby options may be granted from time to time to directors, officers, employees and consultants to the Corporation with shares reserved for issuance as options not to exceed 10% of the issued and outstanding common shares.

At November 28, 2006, there were 6,345,476 common shares reserved for issuance pursuant to the exercise of stock options (September 30, 2006 – 6,005,476) as follows:

Number of Common Shares	Exercise Price	Expiry Date
710,476	\$0.10	December 12, 2008
2,080,000	\$0.30	August 11, 2009
225,000	\$0.36	September 13, 2009
215,000	\$0.47	November 1, 2009
25,000	\$0.45	August 19, 2010
300,000	\$0.50	October 7, 2010
25,000	\$0.52	September 27, 2010
190,000	\$0.55	October 19, 2010
675,000	\$0.55	October 19, 2010
60,000	\$0.76	April 6, 2011
1,500,000	\$0.75	September 13, 2011
250,000	\$0.75	October 27, 2011
90,000	\$0.75	November 2, 2011

4. Warrants

At November 28, 2006, there were 13,559,800 common shares reserved for issuance pursuant to the exercise of outstanding warrants (September 30, 2006 – 8,159,000), as follows:

Number of Common Shares	Exercise Price	Expiry Date
911,000	\$0.50	April 6, 2007
389,000	\$0.50	June 1, 2007
1,000,000	\$0.75	August 15, 2007
1,055,000	\$0.75	October 6, 2007
1,945,000	\$0.75	December 1, 2007
859,800	\$0.75	February 22, 2008
2,000,000	\$1.25	March 24, 2008
5,400,000	\$1.00	August 22, 2008

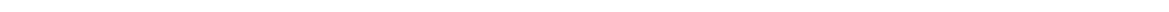
ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com

Dean Journeaux, Eng., is the Qualified Person as defined in National Instrument 43-101 who has reviewed and verified the scientific and technical mining disclosure contained in this Third Quarter Report.

November 28, 2006
Calgary, Alberta

New Millennium Capital Corp.
Interim Consolidated Financial Statements
September 30, 2006



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**New Millennium Capital Corp.
Interim Consolidated Balance Sheets
(Unaudited)**

	Sept 30, 2006	Dec 31, 2005
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	7,995,610	4,037,888
Term deposits	2,514,701	4,298,391
Sales taxes receivable and other	681,926	244,159
Deferred financing costs	-	46,429
	<u>11,192,237</u>	<u>8,626,867</u>
Advances on contracts	27,000	145,000
Property and equipment	75,563	76,169
Mineral properties (Note 3)	19,273,347	9,606,963
	<u>30,568,147</u>	<u>18,454,999</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	2,819,332	1,156,449
Loan payable	-	2,000,000
	<u>2,819,332</u>	<u>3,156,449</u>
Future income taxes	1,682,759	1,230,504
	<u>4,502,091</u>	<u>4,386,953</u>
Shareholders' equity		
Capital stock (Note 4)	27,269,530	14,554,941
Contributed surplus	2,081,394	1,531,910
Deficit	(3,284,868)	(2,018,805)
	<u>26,066,056</u>	<u>14,068,046</u>
	<u>30,568,147</u>	<u>18,454,999</u>

See accompanying notes to the unaudited interim consolidated financial statements.

New Millennium Capital Corp.
Interim Consolidated Statements of Earnings
(Unaudited)

	3 months ended Sept 30		9 months ended Sept 30	
	2006 \$	2005 \$	2006 \$	2005 \$
Interest revenue	73,304	11,321	222,675	53,648
<i>Expenses</i>				
General and administrative	283,667	167,684	825,275	608,211
Professional fees	201,546	82,868	470,317	224,866
Market development	61,059	59,352	221,611	324,326
Stock-based compensation				
Employees and directors	360,000	25,000	455,850	25,000
Consultants	-	-	108,500	-
Amortization of property and equipment	13,277	11,718	39,648	27,188
Amortization of deferred financing costs	-	-	46,429	-
	919,549	346,622	2,167,630	1,209,591
Loss before income taxes	(846,245)	(335,301)	(1,944,955)	(1,155,943)
Income tax expense – current	-	-	-	1,281
Income tax recovery – future	(184,340)	(121,000)	(678,892)	(429,000)
Income taxes	(184,340)	(121,000)	(678,892)	(427,719)
Net loss	(661,905)	(214,301)	(1,266,063)	(728,224)
Loss per share – basic and diluted	(0.01)	(0.01)	(0.02)	(0.02)
Weighted average number of shares outstanding	63,381,690	41,521,077	61,835,103	38,528,688

See accompanying notes to the unaudited interim consolidated financial statements.

New Millennium Capital Corp.
Interim Consolidated Statements of Deficit
Interim Consolidated Statements of Contributed Surplus
(Unaudited)

	3 months ended Sept 30		9 months ended Sept 30	
	2006 \$	Restated 2005 \$	2006 \$	Restated 2005 \$
CONSOLIDATED STATEMENTS OF DEFICIT				
Balance, beginning of period				
As reported	(2,622,963)	(1,490,644)	(2,018,805)	(976,721)
Adjustment for prior period error (Note 7)	-	261,600	-	261,600
As restated	(2,622,963)	(1,229,044)	(2,018,805)	(715,121)
Net loss	(661,905)	(214,301)	(1,266,063)	(728,224)
Balance, end of period	(3,284,868)	(1,443,345)	(3,284,868)	(1,443,345)
CONSOLIDATED STATEMENTS OF CONTRIBUTED SURPLUS				
Balance, beginning of period	1,437,660	796,500	1,531,910	796,500
Stock-based compensation expense				
Employees and directors	360,000	25,000	455,850	25,000
Consultants	-	-	108,500	-
Issuance of warrants	283,734	-	283,734	-
Transfer to capital stock on exercise of warrants	-	-	(298,600)	-
Balance, end of period	2,081,394	821,500	2,081,394	821,500

See accompanying notes to the unaudited interim consolidated financial statements.

New Millennium Capital Corp.
Interim Consolidated Statements of Cash Flows
(Unaudited)

	3 months ended 2006 \$	Sept 30 Restated 2005 \$	9 months ended 2006 \$	Sept 30 Restated 2005 \$
Operating				
Net loss	(661,905)	(214,301)	(1,266,063)	(728,224)
Stock-based compensation				
Employees and directors	360,000	25,000	455,850	25,000
Consultants	-	-	108,500	-
Amortization of property and equipment	13,277	11,718	39,648	27,188
Amortization of deferred financing costs	-	-	46,429	-
Future income taxes	(184,340)	(121,000)	(678,892)	(429,000)
	(472,968)	(298,583)	(1,294,528)	(1,105,036)
Change in non-cash working capital	(55,846)	(528,830)	(300,703)	(18,720)
	(528,814)	(827,413)	(1,595,231)	(1,123,756)
Financing				
Repayment of loan payable	-	2,000,000	(2,000,000)	2,000,000
Issuance of capital stock	11,100,500	1,342,367	14,779,453	2,691,333
Issue costs	(748,255)	(54,791)	(748,255)	(54,791)
	10,352,245	3,287,576	12,031,198	4,636,542
Investing				
Term deposits	(2,499,300)	-	1,783,690	-
Advances on contracts	-	-	(42,100)	-
Purchase of property and equipment	(12,467)	(17,859)	(39,041)	(56,522)
Additions to mineral properties	(4,471,582)	(1,759,294)	(8,180,794)	(2,676,158)
	(6,983,349)	(1,777,153)	(6,478,245)	(2,732,680)
Net increase in cash and cash equivalents	2,840,082	683,010	3,957,722	780,106
Cash and cash equivalents, beginning of the period	5,155,528	3,414,760	4,037,888	3,317,664
Cash and cash equivalents, end of the period	7,995,610	4,097,770	7,995,610	4,097,770

(Supplementary cash flow information in Note 5)

See accompanying notes to the unaudited interim consolidated financial statements.

New Millennium Capital Corp.
Notes to the Interim Consolidated Financial Statements
(Unaudited)
September 30, 2006

1. Nature of operations

New Millennium Capital Corp. (the "Company") was incorporated pursuant to the provisions of the Alberta Business Corporations Act on August 8, 2003. The Company was classified as a capital pool company as defined pursuant to TSX Venture Exchange Policy 2.4. On August 11, 2004, the Company completed its Qualifying Transaction.

The Company is in the process of exploring and evaluating its mineral properties and projects. The recoverability of amounts shown for mineral properties and deferred exploration costs is dependent upon the ability of the Company to obtain necessary financing to complete the exploration and development of economically recoverable reserves in the mineral properties, upon the renewal of the underlying mineral claims, maintaining of the Company's interest in the underlying mining titles and compliance with filing obligations, and upon future profitable production of these reserves or sufficient proceeds from the disposition thereof.

2. Summary of significant accounting policies

The unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for the preparation of interim financial information. Accordingly, these statements do not include all of the information and disclosures required in annual consolidated financial statements. The accounting policies used in the preparation of these unaudited interim consolidated financial statements are the same as those described in our audited consolidated financial statements and the notes thereto for the year ended December 31, 2005.

In the opinion of management, all adjustments considered necessary for the fair presentation of results for the periods presented have been reflected in these financial statements. These unaudited interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto for the year ended December 31, 2005.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and notes to the financial statements. These estimates are based on management's best knowledge of current events and actions the Company may undertake in the future. Actual results could differ from these estimates.

Principles of consolidation

These consolidated financial statements include the accounts of the Company, its wholly-owned subsidiary Labmag Services Inc., the 80% owned subsidiary, Labmag GP Inc. and its 80% interest in Labmag Limited Partnership.

In accordance with the Partnership agreement between Labmag Limited Partnership and the Company, the Company shall be responsible for providing and arranging for all capital in excess of initial contributions of each partner and operating costs for exploration until commercial production commences. Consequently, the Company included 100% of assets, liabilities and losses, excluding the initial contribution of the Partner holding the 20% interest in the Partnership, in the consolidated financial statements.

New Millennium Capital Corp.
Notes to the Interim Consolidated Financial Statements
(Unaudited)
September 30, 2006

3. Mineral properties	Sept 30, 2006	December 31, 2005
Mineral licenses - LabMag property	\$ 2,738,600	\$ 2,738,600
Mineral licenses - other properties	49,116	45,094
	<u>2,787,716</u>	<u>2,783,694</u>
Resource evaluation	5,487,789	2,386,390
Environmental	4,973,371	954,617
Drilling	4,716,098	2,569,045
Field labour and supplies	625,079	394,549
Exploration	408,579	243,953
Legal fees	181,309	181,309
Geological and evaluation	93,406	93,406
	<u>16,485,631</u>	<u>6,823,269</u>
	<u>\$ 19,273,347</u>	<u>\$ 9,606,963</u>

The above assets represent the Company's investment in the Labmag property located in Newfoundland and Labrador, Canada, amounting to \$17,766,754 (2005 - \$9,317,916) and other properties located in Newfoundland and Labrador and Québec, Canada, amounting to \$1,506,593 (2005 - \$289,047).

4. Share capital

	Amount
Common shares	\$ 17,092,494
Special warrants	10,177,036
	<u>\$ 27,269,530</u>

a) Authorized:

Unlimited number of common shares

Unlimited number of preferred shares, without nominal or par value, issuable in series

b) Issued common shares

	Number	Amount
Balance, December 31, 2005	56,992,166	\$ 14,554,941
Issued for cash	4,000,000	3,000,000
Tax effect of flow-through shares issued in 2005	-	(1,440,000)
Issued for cash on exercise of stock options and warrants	2,389,524	678,953
Transferred from contributed surplus on exercise of warrants	-	298,600
Balance, September 30, 2006	<u>63,381,690</u>	<u>\$ 17,092,494</u>

New Millennium Capital Corp.
Notes to the Interim Consolidated Financial Statements
(Unaudited)
September 30, 2006

c) Capital stock offering

On August 23, 2006, the Company completed an equity financing whereby 10,800,000 unit special warrants were issued at a price of \$0.75 per unit special warrant for gross proceeds of \$8,100,000, and 3,530,000 flow-through special warrants were issued at a price of \$0.85 per flow-through special warrant for gross proceeds of \$3,000,500. Each unit special warrant is convertible into one common share and one-half of one common share purchase warrant of the Company, exercisable for a period of two years at \$1.00 per whole warrant. Each flow-through special warrant is convertible into one flow-through common share. The agents of the offering were paid fees of \$666,030 and were granted 859,800 common share purchase warrants, exercisable at a price of \$0.75 per warrant for a period of eighteen months.

The Company is obligated to renounce Canadian Exploration Expenses to subscribers for the flow-through special warrants in the amount of \$3,000,500. The corresponding decrease in capital stock and the increase in future income taxes relating to these flow-through shares of \$990,165 will be accounted for when the renunciation is officially filed by February 2007.

Issued special warrants

	Number	Amount
Balance, December 31, 2005	-	\$ -
Issued for cash	10,800,000	8,100,000
Issued for cash on exercise of flow-through basis	3,530,000	3,000,500
Issue costs	-	(1,232,317)
Tax effect of issue costs	-	308,853
Balance, September 30, 2006	14,330,000	\$ 10,177,036

d) Stock options

The Company has adopted an incentive stock option plan whereby options may be granted from time to time to directors, officers, employees and consultants to the Company with shares reserved for issuance as options not to exceed 10% of the issued and outstanding common shares.

During the nine months ended September 30, 2006, 1,560,000 options were granted.

The weighted average fair value of stock options granted during the current year was \$0.48 per share (\$0.36 per share in 2005). The fair value of each option was estimated on the date of grant using the Black-Scholes model. The following assumptions were used:

	2006	2005
Risk-free interest rate	4.0%	3.2%
Expected life (years)	5	5
Estimated volatility of the market price of the common shares	80%	79%
Dividend yield	Nil	Nil

New Millennium Capital Corp.
Notes to the Interim Consolidated Financial Statements
(Unaudited)
September 30, 2006

e) Agents warrants

The Company has also granted warrants to the agents involved in the Company's equity financing. During the nine months ended September 30, 2006, 859,800 warrants were granted.

The weighted average fair value of warrants granted during the current year was \$0.33 per share (\$0.39 per share in 2005). The fair value of each warrant was estimated on the date of grant using the Black-Scholes model. The following assumptions were used:

	<u>2006</u>	<u>2005</u>
Risk-free interest rate	4.0%	3.2%
Expected life (years)	1.5	1.5
Estimated volatility of the market price of the common shares	80%	79%
Dividend yield	Nil	Nil

f) Escrow

Pursuant to escrow agreements entered into with certain shareholders of the Company, 2,400,000 common shares are held in escrow at September 30, 2006. 1,200,000 common shares will be released from escrow, until all common shares have been released, on each six-month anniversary of the final bulletin that was issued by the TSX Venture Exchange approving this qualifying transaction.

5. Supplementary cash flow information

Cash flows relating to income taxes and interest on operating activities are as follows:

	3 months ended Sept 30		9 months ended Sept 30	
	2006	2005	2006	2005
	\$	\$	\$	\$
Income taxes paid	-	-	-	-
Interest received	<u>65,118</u>	<u>11,321</u>	<u>202,023</u>	<u>53,648</u>

Included in the accounts payable and accrued liabilities as at September 30, 2006 is an amount of \$1,965,310 (Sept 30, 2005 - \$595,763) pertaining to additions to mineral properties.

6. Contingency and commitments

Pursuant to the offering completed on August 23, 2006, the Company has issued \$3,000,500 of flow-through special warrants for which it is obligated to renounce effective in 2006 Canadian Exploration Expenses to subscribers for the flow-through special warrants in the amount of \$3,000,500. The Company partially fulfilled this expected spending commitment by incurring in excess of \$900,000 on Canadian properties by Sept 30, 2006. The Company has spending commitments of an additional \$2,100,500 by December 31, 2007. If the Company is not able to fulfill these commitments, the Company will be required to indemnify the subscribers of the flow-through special warrants for losses suffered as a result. The Company expects to file the renunciation documents by February, 2007 and fulfill the spending commitments by the end of 2007.

The Company has entered into leases for office premises expiring by October 2011 with total

New Millennium Capital Corp.
Notes to the Interim Consolidated Financial Statements
(Unaudited)
September 30, 2006

remaining payments of \$117,193.

The Company is committed through Labmag Limited Partnership to pay aggregate royalties of 2.0% of gross revenues from the mineral interests comprising the LabMag property.

7. Adjustment for prior period error

During 2004, the Company granted 2,000,000 common share options to the agents involved in a private placement offering. The fair value of these options was calculated as \$261,600 and incorrectly recorded and presented as stock-based compensation expense on the Company's consolidated 2004 statement of earnings. The prior year's figures have been restated to properly reflect this transaction as share issue costs. As such, the effect of the adjustment of the error to the September 30, 2005 interim consolidated statements is a decrease in the consolidated deficit of \$261,600 and a corresponding decrease in the capital stock of \$261,600.

8. Subsequent event

On November 15, 2006, the Company engaged a syndicate of underwriters to raise approximately \$35,000,000 pursuant to an offering of units of the Company. Each unit will consist of one common share and one-half of one common share purchase warrant of the Company, exercisable for a period of twenty four months. The Company expects to complete the financing prior to the end of the current fiscal year.

9. Comparative figures

Certain comparative figures have been reclassified to conform to the presentation adopted in the current period.