UGANDA GOLD MINING LTD.

Consolidated Financial Statements
For the 3 Month Period Ending
January 31, 2006 and 2005

(Unaudited – Prepared by Management)

The accompanying unaudited interim financial statements of Uganda Gold Mining Ltd., for the period ended January 31, 2006 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These statements have not been reviewed by the Company's independent auditors.

UGANDA GOLD MINING LTD.
Consolidated Balance Sheets
As at
(Expressed in U.S. Dollars)
(Unaudited)

		January 31, 2006		October 31, 2005
ASSETS				
Current Assets				
Cash	**$**	**73,916**	$	274,534
Amounts receivable		**28,706**		23,718
Prepaid expenses		**4,141**		3,313
		106,763		301,565
Equipment		**51,963**		58,116
Mineral properties (note 3)		**1,775,511**		1,567,284
	$	**1,934,237**	$	1,926,965
LIABILITIES				
Current Liabilities				
Accounts payable		**29,132**		32,976
Due to related parties (note 5)		**248,577**		195,303
		277,709		228,279
SHAREHOLDERS' EQUITY				
Share Capital (note 4)		**3,562,137**		3,562,137
Contributed surplus (4 (e))		**408,854**		314,774
Deficit		**(2,314,463)**		(2,178,225)
	$	**1,656,528**	$	1,698,686
	$	**1,934,237**	$	1,926,965

Approved by the Directors:

"Allan Beaton"	*"Richard Barclay"*
Allan Beaton, *Director*	Richard Barclay, *Director*

UGANDA GOLD MINING LTD.

Consolidated Statements of Operations and Deficit

(Expressed in U.S. Dollars)

(Unaudited)

	Three Months Period Ended January 31, 2006	2005
EXPENSES		
Accounting and legal fees	5,025	$ 21,170
Salaries and benefits	7,756	-
Amortization	124	124
Bank charges	417	119
Consulting fees	11,288	29,495
Management fees	10,357	10,186
Foreign exchange	(3,177)	(864)
Interest income	(3,222)	-
Office rent	2,086	1,667
Office and sundry	112	2,311
Stock-based compensation	94,080	14,611
Promotion	5,984	1,781
Travel	2,075	-
Telephone	1,964	893
Transfer agent and filing fees	1,369	10,284
Net loss for the period	(136,238)	(91,777)
Deficit - beginning of period	(2,178,225)	(1,705,738)
Deficit - end of period	$ (2,314,463)	$ (1,797,515)
Loss per shares	$ (0.01)	$ (0.00)
Weighted average number of common shares outstanding	23,623,926	15,570,038

UGANDA GOLD MINING LTD.

Consolidated Statements of Cash Flows

(Expressed in U.S. Dollars)

(Unaudite)

	Three Months Period Ended January 31, 2006	2005
CASH PROVIDED BY (USED FOR):		
Operating Activities		
Loss for the period	$ (136,238)	$ (91,777)
Item not affecting cash:		
Amortization	124	124
Stock-based compensation	94,080	14,611
Changes in non-cash working capital accounts:		
Accounts receivable	(4,988)	(57,999)
Prepaid expenses	(828)	
Accounts payable	(3,844)	38,533
Due to related parties	53,274	32,099
	1,580	(64,409)
Financing Activities		
Issuance of share capital (net of issue cost)	-	237,800
	-	237,800
Investing Activities		
Purchase of equipment	-	(2,509)
Mineral property exploration costs	(202,198)	(44,009)
	(202,198)	(46,518)
Net cash provided during the period	(200,618)	126,873
Cash, beginning of period	274,534	27,915
Cash, end of period	$ 73,916	$ 154,788

Supplementary Disclosure of Non-Cash Investing and Financing Activities:

During the period ended January 31, 2006, $6,029 (2005-$745) of equipment amortization were recorded as deferred mineral property costs.

Supplementary Cash flow information:

During the period ended January 31, 2006, the Company received interest of $3,222 (2005-$Nil).

(Expressed in U.S. Dollars)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Uganda Gold Mining Ltd. is incorporated in the Province of Alberta and through its subsidiaries, Nabisoga Mining Ltd. ("Nabisoga") and Rwenzori Cobalt Company Ltd. ("Rwenzori"), is engaged in the acquisition and exploration of mineral properties in Uganda, Africa.

The recoverability of amounts capitalized for the acquisition of mineral property interests and the related deferred exploration costs is dependent upon the ultimate discovery of economically recoverable mineral reserves, the ability of the Company to obtain financing for further required exploration and development, and upon the profitability of future mineral production or the proceeds from future property dispositions.

These consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred losses since inception and has an accumulated operating deficit of $2.31 million at January 31, 2006 (2004 - $1.79 million). The ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate equity financing to maintain its working capital.

There can be no assurance that the Company will be able to continue to raise funds in which case the Company may be unable to meet its obligations. Should the Company be unable to continue as a going-concern, the net realizable values of its assets may be materially less than the amounts recorded on the balance sheets.

2. INTERIM FINANCIAL STATEMENTS

The accompanying unaudited financial statements of the Company are prepared in accordance with Canadian generally accepted accounting principles for interim financial statements. These interim financial statements should be read in conjunction with the Company's annual audited financial statements as at and for the year ended October 31, 2005. All materials adjustments which, in the opinion of management, are necessary for fair presentation of the results for the interim period have been reflected. The results for the three months ended January 31, 2005 are stated utilizing the same accounting policies and methods of application as the most recent annual financial statements, but are not necessarily indicate of the results to be expected for the full year.

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS

	October 31,2005	Net Expenditures (Option proceeds/ Adjustments)	January 31,2006
	$	$	$
Kilembe Property			
Deferred exploration costs			
Accommodation and travel	81,193	3,458	84,651
Amortization	15,695	6,029	21,724
Drilling	418,990	53,275	472,265
Exploration salaries and wages	65,336	14,705	80,041
Field camp and exploration costs	154,134	8,717	162,851
Foreign exchange	(31,143)	1,263	(29,880)
Fuel	50,533	3,539	54,072
Geological consulting	356,844	59,186	416,030
Mine/underground maintenance	170,460	44,865	215,325
Office and sundry	32,784	5,341	38,125
Professional fees	27,363	5,678	33,041
Repair and maintenance	5,270	246	5,516
Vehicles	10,832	498	11,330
	1,358,291	206,800	1,565,091

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION COSTS, (continued)

Nyanga Property

Acquisition costs	12,479		12,479
Deferred exploration costs			
Accommodation and travel	8,682		8,682
Amortization	17,900		17,900
Company and field costs	48,691		48,691
Drilling	20,000		20,000
Foreign exchange	1,052		1,052
Fuel	3,599		3,599
Geological consulting	32,627		32,627
Office and sundry	26,989		26,989
Sample analysis	7,094		7,094
Vehicle	7,153		7,153
Wages	22,140		22,140
	208,406	-	208,406

Bonaparte Property

Deferred exploration cost			
Company and filed cost	587	1,427	2,014
Total	**1,567,284**	**208,227**	**1,775,511**

4. SHARE CAPITAL

a) Authorized: an unlimited number of common and preferred shares without par value

b) Issued and outstanding:

	Shares	Amount
Common shares		
Balance, January 31, 2006 and October 31, 2005	**23,407,926**	**$ 3,562,137**

c) Stock options and share purchase warrants continuity: [Comment: I do not understand how one can get a weighted average option price of $0.10/sh]

The continuity of share purchase options is as follows:

	Number of Shares	Weighted Price
Balance, October 31, 2005	2,135,000	0.10
Granted	400,000	0.25
Balance, January 31, 2006	2,535,000	0..18
Weighted remaining life in years		4.97
Range of exercise prices		$0.10-$0.45

The continuity of share purchase warrants is as follows:

	Number of Shares	Weighted Price
Balance, October 31, 2005	8,255,000	0.34
Weighted remaining life in years		0.10
Range of exercise prices		$0.25-$0.36

4. SHARE CAPITAL, continued

d) Shares in escrow:

The Company has 2,010,962 (2004 - 2,533,333) shares held in escrow which can be released, subject to regulatory consent, on the basis of one share for each $0.22 (Cdn. $0.35) of exploration expenditures incurred on the Company's properties.

e) Stock-based compensation:

The Company expenses $94,080 (2005 – $14,611) in connection with the fair value of stock options that vested during the period ended January 31, 2006. The compensation amounts were offset to contributed surplus.

The fair value of stock options granted was estimated using the Black-Scholes Option Pricing Model with the following assumptions; risk-free interest rate - 3.5% (2005 – 3.5%); expected dividend yield – nil (2005 – nil); weighted-average expected stock price volatility – 161% (2005 – 205%); expected option life in years – 5 years (2005 – 5 years). [Comment: Where does volatility factor come from?]

5. DUE TO RELATED PARTIES

As at January 31, 2006, the amount outstanding of $248,577 (2004 - $Nil) is due to a private company of which a director of the Company is a fifty percent shareholder. The amount is unsecured, bears no interest and has no fixed terms of repayment.

As at January 31, 2006, amounts outstanding to one director of the Company is $6,398. These amounts were unsecured, do not bear interest and have no fixed terms of repayment.

6. RELATED PARTY TRANSACTIONS

During the current year, the Company incurred management fees, geological consulting and expense reimbursements of $10,357 (2005 - $10,186) to a corporation controlled by a director of the Company.

The Company incurred consulting fees and exploration expense reimbursements of $22,500 (2005 - $20,343) to another director of the Company during the current year. The Company also incurred $53,275 (2005 - $Nil) of drilling expenses to a private company of which this director is a fifty percent shareholder. At January 31, 2006, the aggregate balance due to this company is $248,577.

During the current year, consulting fees and expense reimbursements in the amount of $2,589 (2005 - $1,570) were paid to an additional director of the Company.

Additional geological consulting fees and expense reimbursements of $21,661 (2005 - $Nil) were paid or accrued to a company controlled by an officer of the Company.

Legal Fees of $1,305 (2005-$Nil) were paid to a firm of which the Corporate Secretary is a partner.

All these related party transactions were in the normal course of operations and are measured at fair value as determined by management.

7. SUBSEQUENT EVENT

Subsequent to January 31, 2006, the Company undertook a non-brokered private placement of 2,357,142 units at Cdn$0.21 per unit for gross proceeds of $495,000. Each unit is to comprise one common share plus one common share purchase warrant exercisable at Cdn$0.35 for one year.

Subsequent to the end of the quarter, Ken Morgan assumed the CFO position and Richard Barclay stepped down as CFO.

UGANDA GOLD MINING LTD.

MANAGEMENT DISCUSSION & ANALYSIS

FORM 51-102F1

For the 3 Month Period Ending
<u>JANUARY 31, 2006</u>

The following discussion and analysis of the results of operations and financial condition ("MD&A") for Uganda Gold Mining Ltd ("the Corporation") should be read in *conjunction with the Company's Management's Discussion and Analysis of Operating Results, the unaudited interim financial statements and the accompanying notes for the three month period ended January 31, 2006 and the audited financial statements for the year ended October 31, 2005.*

The financial information in this MD&A is derived from the Company's consolidated financial statements prepared in accordance with Canadian generally accepted accounting principles. This MD&A may contain forward looking statements based on assumptions and judgments of management regarding events or results that may prove to be inaccurate as a result of exploration or other risk factors beyond its control. Actual results may differ materially from the expected results.

<u>DATE OF REPORT</u>: March 28, 2006

<u>OVERVIEW</u>

Uganda Gold Mining Ltd. (the "Corporation") was incorporated on May 27, 1996 under the laws of the Province of Alberta and through its subsidiary, Nabisoga Mining Ltd. ("Nabisoga"), is in the business of the acquisition, exploration and development of mineral properties. The Company has focused primarily on properties in Uganda, Africa and in British Columbia, Canada. The Company is a reporting issuer in British Columbia and Alberta and its shares are listed on the TSX Venture Exchange under the symbol UGM.

On September 27, 2004, the Company entered into a joint venture option agreement with Kilembe Mines Limited., Uganda, Africa that requires the Company to carry out mineral exploration and a positive feasibility study to be completed within three years to earn a 70% joint venture interest The Company officially took over the maintenance of the Kilembe property on February 1, 2005.

In January 2005, the Company formed a second subsidiary Company, Rwenzori Cobalt Mining Ltd. to hold its interest in and manage the Kilembe Mine project in Uganda, (refer to Mineral Properties)

Mineral Properties

Uganda, Africa

<u>Exploration Licenses</u>

The Company obtains its tenures to explore for precious metals in Uganda under the terms of Exploration Licenses ("ELs"), which are renewed annually subject to the Ugandan Government approval of the exploration programs carried out in the previous year. Regulatory consent is granted based on the level of Ugandan employment generated through exploration on each property.

When a significant body of mineralization is located, a mining lease of 21 years may be granted with an option to renew the lease for a further 15 years.

Kilembe Mine Property

The Company entered into an exploration and feasibility study agreement on September 27, 2004 with Kilembe Mines Limited under which it acquired the option to earn a 70% interest in the Kilembe Copper-Cobalt Mine in western Uganda and a 5 km area of interest exploration license surrounding the Mining Lease #2151. The Company is obligated to undertake a specified exploration program and complete a positive feasibility study within three years. A 70-30 joint venture would then be formed with available annual profits as defined in the agreement split initially as follows: 50% to the Company, the remaining 50% to the vendor until certain facilities and utilities charges borne by the vendor under the agreement are recouped. Once a party or the parties have recouped their eligible expenditures, the remaining profits would then be allocated to the joint venture parties based on their interests.

The Kilembe Mine, located in the foothills of Ruwenzozri Mountain of western Uganda, consists of a fully permitted Mining License 2151 and a surrounding Exploration License.

The original Falconbridge preproduction reserves in 1962 were reported as 12.7 million tones grading 2% copper and 0.2% cobalt. Falconbridge of Africa mined, milled and smelted over 16,000,000 tonnes of ore from 1962 to 1975. They produced 270,000 tonnes of blister copper at their smelter in Jinja, Uganda. Falconbridge stockpiled approximately 1,000,000 tonnes of pyrite concentrate containing 1.4% cobalt at the town of Kasese, 13 kilometers from the mine, cobalt is currently being recovered from this stockpile by the Kasese Cobalt Company Ltd. (KCCL). Falconbridge throughout its tenure at Kilembe focused on copper production and exploration for copper reserves. At times the Falconbridge operation discharged the cobalt rich pyrite concentrate along with the concentrator waste tailings leaving over 5 million of tonnes of tailings grading 0.12% cobalt and 0.18% copper.

In September 2004, Roscoe Postle Associates Inc. (“RPA”) reported on the Historical Resource on the copper-cobalt for UGM. The Historical Resource, while not NI 43-101 compliant, indicates 4.1 million tones grading 1.77% copper and an estimated 0.17% cobalt as determined by the historic mill metallurgical balance.

The underground mine workings extend some 4 kilometers horizontally and 1 kilometer vertically with over 20 kilometers of underground workings. Mining thicknesses were up to 30 meters. The mine has been under care and maintenance to the present time. The mill operated at a rate of 3000 tonnes per day. Some of the mill facilities may be salvageable.

The mine offices, including all of the mine plans from the historic operations remain in useable condition. Kilembe Mines Ltd. owns hydro electric facility that produce between 2.3 and 6.0 megawatts of electricity depending on seasonal water flows. This power is used internally by Kilembe Mines and any surplus is delivered into the national grid and sold. Revenue from the electricity has historically paid the mine maintenance costs.

The mine’s location and climate are excellent. The elevation at over 1500 meters makes for attractive living conditions. The mine is 300 km by paved highway from Kampala, the capital of Uganda. There is an airstrip at Kasese 14 km from the Kilembe minesite.

The Company initiated exploration at the Kilembe Mine as recommended on the RPA report in April using a team consisting of Canadian and Ugandan geologists along with a technical support staff conducting surface exploration and diamond drilling. The digital data base for the 15,000 meters of underground drilling carried out from 1995 to 1997 by Banff Resources together with the existing data base including the current field data is presently being compiled and computer modelled. The Company has also initiated a scoping study to evaluate all the physical assets in the Kilembe/Kasese area.

During 2005, 24 surface diamond drill holes totalling 3510 metres were completed.

Nyanga Property

The Company entered into an option agreement on November 24, 1999 with Shinda Ltd. ("Shinda"), a private Ugandan company controlled by a director, pursuant to which it acquired a 100% interest in an industrial minerals deposit (Tantalite), comprising one EPL and a location (license to mine) known as the Nyanga Deposit.

Under the terms of the agreement, the Company paid Shinda US$10,000 upon execution of the agreement and an additional US$70,000 was due by the third anniversary date of the agreement. This agreement was subject to a 3% Net Smelter Returns ("NSR") royalty on minerals located in the loose alluvial material found in the area subject to the EPL and a 2% NSR on hard rock deposits, where drilling and blasting would be required. During the 2001 fiscal year, Shinda agreed to waive payment of the additional US$70,000 as well as the NSRs, and accordingly the Company's option to acquire its interest was completed.

The property covers several Pegmatite bodies one of which is some 380 meters in length and some 45 to 50 meters in width. The pegmatite bodies contain varying amounts of "Rare Metals" as well as 50% bright white kaolin. The main metal of interest on the Nyanga property is Tantalum that occurs in streaks and disseminations in the central part of the pegmatite bodies. The company in the past has carried out minor diamond drilling and some underground work on the property.

The Nyanga property is in good standing until January 2008.

British Columbia, Canada

Bonaparte Property

The Company acquired six mining claims in July 2002 located approximately 45 kilometres west of the Thompson River in the Kamloops Mining Division of British Columbia, in consideration for $10 and the issuance of 50,000 common shares of the Company valued at US$3,288.

On February 21, 2003, the Company signed an option agreement with Clan Resources Inc. ("Clan") whereby Clan could have acquired a 100% interest in the property for total consideration to the Company of CDN $60,000 and 200,000 common shares of Clan. The Company received CDN$30,000 and 150,000 common shares and was notified during the current year that Clan had returned the property to the Company.

In the fall of 2003, 200 meters of mechanical trenching and 15 diamond drill holes were completed. A new quartz vein containing gold was discovered.

This property has multiple parallel gold bearing quartz veins over an exposed area of 300 meters by 300 meters. In 1995, 4,000 tons of 0.8 ozs. gold of ore was shipped to the Trail smelter from one vein. In 2005, the mining claims were converted to MTO cells and additional cells were acquired. The property is approximately 870 hectares in size.

In December 2005 the Company, added 13.4 sq. km to its mineral tenures for a total of 22.1 sq. kilometres covering the Bonaparte gold occurrences. The additional mineral tenure covers potential extensions of the gold bearing structures to the south. Historical diamond drilling has traced to the south several gold bearing quartz veins to a point where lava flows cover the veins. South of the main showings a stream silt survey program gave anomalous gold values in four creeks draining a portion of the recently acquired mineral tenure. Gold analyses of 453.8 ppb, 59.7 ppb, 118.8 ppb and 190.6 ppb were obtained. The Company intends to carry out further exploration.

SELECTED ANNUAL INFORMATION

The following financial data, which has been prepared in accordance with Canadian generally accepted accounting principles, is derived from the Company's audited financial statements for the year ended October 31, 2005, 2004 and 2003.

	2005 $	2004 $	2003 $
Total Revenues	Nil	Nil	Nil
Net loss for the period	472,487	121,748	95,619
Basic and diluted per shares	0.03	0.01	0.01
Total Assets	1,926,965	301,077	151,923
Total long term liabilities	Nil	Nil	Nil
Cash dividend	Nil	Nil	Nil

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from these estimates.

RESULTS OF OPERATIONS

During the period ended January 31, 2006, the Company recorded a loss of $136,238 or $0.01 diluted loss per share, compared to $91,777 or $0.01 diluted per share for the same period last year.

For the three months ended January 31, 2006 expenses increased by 48% to $136,238 from $91,777. The key increase in the expenses is stock-based compensation expenses of $94,080 (2005-$14,611) which results from the Company expensing options granted in the period ended January 2006.

Management fees of $10,357 (2005-$10,186) were paid to a company controlled by the President of the Company. Promotion and travel both increased for the three months period ended January 31, 2006 as a results of the Management traveling in Uganda and marketing efforts. Transfer agent and filing fees and consulting fees decreased for the first three months of 2006. In 2005, the Company completed a short form financing, which in turn has caused the Company to incurred greater consulting and transfer and filing fees.

During the period ended January 31, 2006, the Company incurred similar levels of expenses office rent of $2,086 (2005-$1,667), amortization of $124 (20065$124) and telephone of $1,964 (2005-$893).

Current liabilities are $29,132 and $248,577 is owed to related parties for a total debt of $277,709 US.

SUMMARY OF QUARTERLY REPORTS

Results for the three most recent quarters ending with the last quarter for the three months period ended January 31, 2006**:**

	Three Months Ended			
	January 31 2006 $	October 31 2005 $	July 31 2005 $	April 30 2005 $
Interest Income	3,222	1,950	1,862	Nil
Net earnings (loss)	(136.238)	(193,917)	(120,154)	(45,279)
Basic and diluted per shares	(0.01)	(0.01)	(0.01)	(0.00)

	Three Months Ended			
	January 31, 2005 $	October 31, 2004 $	July 31, 2004 $	April 30, 2004 $
Interest Income	Nil	Nil	Nil	Nil
Net earnings (loss)	(91,777)	(26,119)	(40,837)	(36,008)
Basic and diluted per shares	(0.01)	(0.00)	(0.00)	(0.00)

Significant changes in key financial data can be attributed to the traveling and consulting fees evaluating properties in Uganda. Other significant items is the recognition of stock-based compensation costs in respect of stock options granted in 2006.

LIQUIDITY AND CAPITAL RESOURCES

The accompanying financial statements have been prepared in accordance with Canadian generally accepted accounting principles on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The continuation of the Company is dependent upon the continuing financial support of creditors and stockholders, refinancing debts payable, obtaining additional long term debt or equity financing, as well as achieving and maintaining a profitable level of operations. As the outcome of these matters cannot be predicted at this time, these financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations.

The Company's working capital deficiency position at January 31, 2006 was $170,946 compared to working capital of $73,286 at October 31, 2005. The primary reason for the decrease in working capital during the three months ended January 31, 2006 is the drilling in Uganda properties in Rwenzori, Uganda.

CRITICAL ACCOUNTING ESTIMATES

The Company's financial statements for the three months ended January 31, 2006 have been prepared according to Canadian generally accepted accounting principles. Reference should be made to Note 2 Significant Accounting Policies in the notes to the Company's annual financial statements for the year ended October 31, 2006 for more information concerning the accounting principles used in the preparation of the Company's financial statements.

Management is required to make estimates and assumptions when accounting for and reporting assets, liabilities, revenues and expenses and disclosing contingent assets and liabilities in the financial statements. Given the use of estimates inherent in the financial reporting process, actual results could differ from those estimates.

TRANSACTIONS WITH RELATED PARTIES

During the current year, the Company incurred management fees, geological consulting and expense reimbursements of $10,357 (2005 - $10,186) to a corporation controlled by a director of the Company.

The Company incurred consulting fees and exploration expense reimbursements of $22,500 (2005 - $20,343) to another director of the Company during the current year. The Company also incurred $53,275 (2005 - $Nil) of drilling expenses to a private company of which this director is a fifty percent shareholder. At January 31, 2006, the aggregate balance due to this company is $248,577.

During the current year, consulting fees and expense reimbursements in the amount of $2,589 (2005 - $1,570) were paid to an additional director of the Company.

Additional geological consulting fees and expense reimbursements of $21,661 (2005 - $Nil) were paid or accrued to a company controlled by an officer of the Company.

Legal Fees of $1,305 (2005-$Nil) were paid to a firm of which the Corporate Secretary is a partner.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of current assets and current liabilities. The fair values of the current assets and liabilities approximate their carrying amounts due to the short-term nature of these instruments.

INVESTOR RELATIONS

No investor relations activities were undertaken by any third party on behalf of the Company during the period.

OUTLOOK

The company will focus on executing its exploration and feasibility obligations on the Kilembe property in the next 12 month period.

The Bonaparte Gold property in British Columbia and the Tantalite property in Uganda are still in the early stages of exploration and no acrivity is planned for the next quarter.

The Company is actively looking to acquire additional properties particularly in East Africa using its strong base in Uganda to gain access to areas that have substantial mineral potential.

OUSTANDING SHARES

As at January 31, 2006, the Company had the following securities issued and outstanding:

Common shares outstanding as at March 27, 2006: 23,407,926

Type	Number Outstanding	Exercise Price (Cdn)	Expiry Date
Options	100,000	$0.10	March 14, 2006
Options	463,000	$0.10	February 20, 2007
Options	20,000	$0.10	March 5, 2007
Options	410,000	$0.10	June 7, 2009
Options	185,000	$0.14	November 26, 2009
Options	40,000	$0.45	February 1, 2010
Options	300,000	$0.24	January 17, 2010
Option	617,000	$0.32	March 28, 2010
Option	400,000	$0.25	January 19, 2011
Warrants	455,000	$0.25	August 7, 2006
Warrants	6,250,000	$0.36	March 4, 2006
Warrants	1,250,000	$0.32	March 4, 2006
Warrants	300,000	$0.36	March 4, 2006

SUBSEQUENT EVENT

Subsequent to January 31, 2006, the Company undertook a non-brokered private placement of 2,357,142 units at Cdn$0.21 per unit for gross proceeds of $495,000. Each unit is to comprise one common share plus one common share purchase warrant exercisable at Cdn$0.35 for one year.

Subsequent to the end of the quarter, Ken Morgan assumed the CFO position and Richard Barclay stepped down as CFO.

DIRECTORS AND OFFICERS

Al Beaton	*Director, President*
Richard Barclay	*Director*
Michael Beley	*Director, Chairman of the Board*
Brad Jefferson	*Director*
Egil Livgard	*Director*
John Purkis	*Chief Executive Officer*
Rick Skeith	*Corporate Secretary*

OTHER REQUIREMENTS

Additional disclosure of the Company's technical reports, material change reports, news release and other information can be obtained on SEDAR at www.sedar.com and the Company's website.

On Behalf of the Board,

UGANDA GOLD MINING LTD

"John Purkis"

John Purkis
Chief Executive Officer

"Kenneth W. Morgan"

Kenneth W. Morgan
Chief Financial Officer