DENTONIA RESOURCES LTD

TSX-V : DTA

P.O. Box 10321 Pacific Centre, Suite #880 – 609 Granville Street,
Vancouver, BC. V7Y 1G5 Tel: (604) 682-1141 Fax: (604) 682-1144
Website: www.dentonia.net Email: dentonia@telus.net

DENTONIA RESOURCES LTD.

(An Exploration Stage Company)

Unaudited Financial Statements
3rd Quarter ended May 31, 2006

Interim Management's Discussion and Analysis
July 20, 2006

DENTONIA RESOURCES LTD.

CONSOLIDATED FINANCIAL STATEMENTS

MAY 31, 2006

(Prepared by management without audit)

DENTONIA RESOURCES LTD

TSX-V : DTA

P.O. Box 10321 Pacific Centre, Suite #880 – 609 Granville Street,
Vancouver, BC. V7Y 1G5 Tel: (604) 682-1141 Fax: (604) 682-1144
Website: www.dentonia.net Email: dentonia@telus.net

July 20, 2006

To the Shareholders of Dentonia Resources Ltd.:

The attached unaudited financial statements have been prepared by management without review by the auditors of Dentonia Resources Ltd.

Yours truly,

DENTONIA RESOURCES LTD.

"***Adolf A. Petancic***"

Adolf A. Petancic
President

DENTONIA RESOURCES LTD.

CONSOLIDATED BALANCE SHEETS
(Unaudited - see Notice to Reader)

	May 31, 2006	August 31, 2005
ASSETS		
CURRENT ASSETS		
Cash	$ 672,158	674,813
Short-term investments	2,106,000	-
Amounts receivable	24,860	13,885
Prepaid expenses	15,320	2,760
	2,828,182	691,458
INVESTMENTS AND ADVANCES(Note 3)	962,537	240,537
CAPITAL ASSETS(Note 5)	10,055	7,964
MINERAL PROPERTIES (Note4)	811,986	295,639
	$ 4,612,760	1,235,598
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	7,957	100,232
SHARE CAPITAL (Note 6)	12,741,980	8,840,200
CONTRIBUTED SURPLUS(NOTE 6)	69,514	65,762
DEFICIT	(8,206,691)	(7,770,596)
	4,604,803	1,135,366
	4,612,760	1,235,598

APPROVED BY THE BOARD

"Adolf A. Petancic" Director

"H. Martyn Fowlds" Director

DENTONIA RESOURCES LTD.

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
(Prepared by management without audit)

	9 – Month Ended	9 – Month Ended	3 – Month Ended	3 – Month Ended
	May 31, 2006	May 31, 2005	May 31, 2006	May 31, 2005
EXPENSES	$	$	$	$
Legal, audit and accounting	21,142	40,311	11,012	25,186
Consulting fees	17,130	20,011	-	5,261
Transfer agent and filing fees	39,027	16,572	11,838	6,688
Shareholders and public relations	25,634	31,853	9,508	9,649
Amortization	1,848	1,445	616	593
Bank charges and interest	246	323	66	132
Exchange loss (gain)	-	65	-	-
Finders fee	-	1,750	-	-
Office and miscellaneous	11,682	19,450	3,080	3,062
Telephone and communications	8,715	3,964	6,392	1,617
Stock based compensation	9,176	3,750	4,588	1,875
Rent	11,553	10,026	5,162	3,521
Travel	5,568	-	2,169	-
Wages and benefits	142,303	94,649	54,350	36,071
Operating expenses	294,024	244,169	108,781	93,655
LOSS BEFORE THE FOLLOWING	(294,024)	(244,169)	(108,781)	(93,655)
OTHER (INCOME) EXPENSES				
Expense recovery	-	392	-	-
Mineral property written-off	(167,566)	-	-	-
Interest income	25,495	1,658	23,821	1,658
Equity investment loss	-	(5,000)	-	-
INCOME (LOSS) FOR THE PERIOD	(436,095)	(247,119)	(84,960)	(91,997)
DEFICIT, BEGINNING OF PERIOD	(7,770,596)	(7,499,943	(8,121,731)	(7,655,065)
DEFICIT, END OF PERIOD	$ (8,206,691)	(7,747,062)	(8,206,691)	(7,747,062)
EARNINGS (LOSS) PER SHARE	$ (0.01)	(0.01)	(0.00)	(0.01)

DENTONIA RESOURCES LTD.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Prepared by management without audit)

	9 – Month Ended May 31, 2006	9 – Month Ended May 31, 2005	3 – Month Ended May 31, 2006	3 – Month Ended May 31, 2005
CASH PROVIDED BY (USED FOR)	$	$	$	$
OPERATING ACTIVITIES				
Net income (loss) for the period	(436,095)	(247,119)	(84,960)	(91,997)
Less items not involving cash				
Amortization	1,848	1,445	616	593
Mineral property written off	167,566	-	-	-
Stock based compensation	9,176	5,500	4,588	1,875
Equity investment loss	-	5,000		
	(257,505)	(235,174)	(79,756)	(89,529)
Net change in non-cash working capital items	(125,655)	(12,699)	(7,078)	(30,174)
	(383,160)	(247,873)	(86,834)	(119,703)
FINANCING ACTIVITIES				
Shares issued for cash, net of issue costs	3,896,356	920,841	27,075	4,000
	3,896,356	920,841	27,075	4,000
INVESTING ACTIVITIES				
Fixed assets	(3,938)	(7,156)	(866)	(7,156)
Short term investments	(2,106,000)	-	194,000	-
Investments and advances	(722,000)	(5,000)	(142,000)	-
Mineral property expenditures	(683,913)	(89,041)	(589,958)	(31,798)
	(3,515,851)	(101,197)	(538,824)	(38,954)
INCREASE (DECREASE) IN CASH	(2,655)	571,771	(598,583)	(154,657)
CASH, BEGINNING OF PERIOD	674,813	224,566	1,270,741	950,994)
CASH, END OF PERIOD	$ 672,158	796,337	672,158	796,337

1. NATURE OF OPERATIONS

The Company is in the business of acquiring and exploring mineral properties. There has been no determination whether properties held contain mineral reserves which are economically recoverable.

The recoverability of valuations assigned to mineral properties is dependent upon the discovery of economically recoverable reserves, the ability to obtain necessary financing to complete development, and future profitable production or proceeds from disposition.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The accompanying unaudited interim financial statements are prepared in accordance with generally accepted accounting principles ("GAAP") in Canada with respect to the preparation of interim financial statements. Accordingly, they do not include all of the information and disclosures required by Canadian GAAP in the preparation of annual financial statements. The accounting policies used in the preparation of the accompanying unaudited interim financial statements are the same as those described in the annual financial statements and the notes thereto for the year ended August 31, 2005. In the opinion of management, all adjustments considered necessary for fair presentation have been included in these financial statements. The interim financial statements should be read in conjunction with the Company's financial statements including the notes thereto for the year ended August 31, 2005.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates

3. INVESTMENTS AND ADVANCES

The Company owns an one-third interest in DHK Resources Ltd. ("DHK"), a Northwest Territories corporation which has various interests in potentially diamond bearing mineral claims in the Lac de Gras area of the Northwest Territories.

The investment has been written down to $nil as a result of recognizing the proportionate share of the losses of DHK.

4. MINERAL PROPERTIES

	Tintina Gold Belt HY	Tintina Gold Belt ELF	Pellat Lake	Atkinson	Thomlinson	
Balance, August 31, 2005	$ 166,207	$ 14,053	$ 14,800	$ 81,992	$ 18,587	$ 295,639
Acquisition costs	-	-	-	10,000	15,000	25,000
Drilling	-	-	-	527,729	15,000	542,729
Geological	1,359	-	-	55,208	1,140	57,707
Field	-	-	-	12,632	15,274	27,906
Travel and accommodation	-	-	-			-
Assay	-	-	-	14,639	432	15,071
Mapping	-	-	-			-
Bond	-	-	-	-	15,500	15,500
Total additions during period	1,359	-	-	620,208	62,346	683,913
Property written off	(167,566)	-	-	-	-	(167,566)
Balance, May 31, 2006	$ -	$ 14,053	$ 14,800	$ 702,200	$ 80,933	$ 811,986

Tintina Gold Belt, Yukon Territories

Pursuant to an Option Agreement dated September 4, 2003 (amended October 14, 2004 and March 18, 2005), the Company acquired the right to obtain a 100% interest in 56, two-post mineral claims (the "HY property"), located north of the Hyland River, approximately 185km north of Watson Lake, within the Tintina Gold Belt, southeastern Yukon, Watson Lake Mining District. 48 claims are recorded in the name of Phelps Dodge Corporation of Canada, and 8 claims, staked by the Company at its own cost, are held in trust by a director of the Company. All of these claims are subject to the terms of the Option Agreement.

Pursuant to the agreement, the Company has paid $17,491 in staking costs, consulting fees and other expenditures and must complete a $100,000 work commitment in the first year and a total $750,000 work commitment by March, 2011. The Company is also required to make cash payments totalling $110,000 in stages over the next 6 years ($20,000 paid).

The Company terminated its option on the property. Acquisition and exploration expenditures in the aggregate of $167,566 have been written off as of February 28, 2006.

The Company has also staked for its own and sole account, 6, two-post mineral claims (the "ELF property") located 175km northeast of Watson Lake, within the Tintina Gold Belt.

Lac de Gras, Northwest Territories

The Company, through its 1/3 equity position in DHK Diamonds Inc., holds, indirectly, pursuant to a Joint Venture Agreement dated December 6, 2002, interests in 3 mineral leases, which are recorded in the name of BHP Billiton Diamonds Inc.

Pellatt Lake, Northwest Territories

The Company has staked for its own and sole account 7 mineral claims and holds, indirectly, through its 1/3 equity position in DHK Diamonds Inc., an interest in another 6 mineral claims at Pellatt Lake, Northwest Territories.

Atkinson Gold Prospect

The Company has entered into an agreement to obtain a 100% interest in 5 claim groups referred to as the Atkinson Gold Prospect, in the Porcupine Mining District, Ontario. Pursuant to the agreement, the Company has issued 150,000 shares and paid $60,391 in staking costs, engineering fees and other expenditures and must complete a $350,000 work commitment by May 1, 2006. The Company is also required to make cash payments totalling $990,000 in stages over the next 10 years.

Thomlinson Creek Property

The Company has entered into an Option Agreement to acquire a 100% interest in certain mineral claims located in the Omineca mining division of British Columbia. Pursuant to the agreement, the Company has paid $4,707 of a $30,000 work commitment to be completed by February 25, 2006, and must pay to the Optionors a total of $1,015,000 over the next 10 years ($10,000 paid).

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net Book Value
Furniture and fixtures	$ 26,914	$ 21,797	$ 5,117
Computers	23,643	18,793	4,850
Software	702	614	88
Total Capital Assets	$ 51,259	$ 41,204	$ 10,055

6. CAPITAL STOCK

Authorized
Unlimited common shares without par value

Issued
58,042,411 common shares

	Shares	Amount
Balance, August 31, 2004	22,727,208	$ 7,770,170
Issued for cash		
Exercise of warrants	2,575,000	264,500
Private placement	7,521,836	951,725
Agent's commission	150,000	22,500
Share issuance costs		(168,695)
Balance, August 31, 2005	32,974,044	$ 8,840,200
Issued for cash		
Exercise of warrants	5,172,366	616,257
Exercise of options	852,500	88,575
Private placement	18,443,501	3,079,525
Private Placement	600,000	112,000
Fair value of options exercised	-	5,423
Balance, May 31, 2006	58,042,411	$ 12,741,980

a) Private placements:

In October 2004, the Company completed a non-brokered private placement of 1,680,000 units at $0.06 per unit for total proceeds of $100,800. Each unit consisted of one common share and one non-transferable share purchase warrant exercisable at $0.10 per share to October 7, 2005 and at $0.20 per share after October 7, 2005 to October 7, 2006.

In December 2004, the Company completed a non-brokered private placement of 976,666 flow-through units at $0.15 per unit and 845,000 non-flow-through units at $0.12 per unit for total proceeds of $247,900. Each unit consists of one share and one non-transferable share purchase warrant exercisable at $0.16 for the flow-through shares and at $0.13 for the non-flow-through shares, expiring December 29, 2005.

In December 2004, the Company completed a brokered private placement of 804,034 units at $0.75 per unit or total proceeds of $603,025. Each unit consists of 3 non-flow-through common shares, two flow-through common shares and one non-transferable common share purchase warrant. Each warrant entitles the holder to purchase an additional common share of the Company until February 28, 2007, at a price of $0.20 per share on or before February 28, 2006, and at a price of $0.30 per share on or before February 28, 2007.

6. CAPITAL STOCK (continued)

a) Private placements (continued):

In relation to this private placement, the Company paid a cash commission of 7.5% of the gross proceeds, issued 150,000 shares as a corporate finance fee, paid a finder's fee of 5% of the gross proceeds and issued Agent's options to acquire 522,620 shares at $.15 per share expiring February 28, 2007 and, thereafter, warrants to purchase up to 104,524 additional shares at $0.20 per share in the first year and $0.30 per share in the second year.

On December 23, 2005, the Company completed a private placement of 12,183,501 non-flow-through units at $0.15 per unit and 6,260,000 flow-through units at $0.20 per unit for total proceeds of $3,079,525. Each unit consists of one common share and one non-transferable share purchase warrant exercisable at $0.25 per share in the first year and at $0.35 per share in the second year. All securities issued under this private placement are subject to a four month plus one day hold period, expiring on April 24, 2006.

In February 2006, the Company completed a non-brokered private placement of 200,000 flow-through units at $0.20 per unit and 400,000 non-flow-through units at $0.18 per unit for total proceeds of $112,000. Each unit consists of one share and one non-transferable share purchase warrant exercisable over two years at $0.25 during the first year and $0.35 during the second year for the flow-through shares and the non-flow-through shares, expiring February 10, 2008.

b) Options:

The Company has a stock option plan to grant options to directors, officers, employees, dependent contractors and consultants of the Company. The plan reserves for issuance up to 10% of the issued and outstanding share capital of the Company from time to time at the discretion of the Board. Options under the plan will be for a term of up to 5 years from the date of their grant and will be exercisable at a price not less than the Discounted Market Price.

Stock option transactions are summarized as follows:

Exercise Price	Expiry Date	Outstanding August 31, 2005	Granted	Exercised	Expired/ Cancelled	Outstanding May 31, 2006
$0.10	January 22, 2006	695,000	-	695,000	-	-
$0.10	April 22, 2006	60,000	-	60,000	-	-
$0.12	October 1, 2006	60,000	-	-	-	60,000
$0.10	March 26, 2007	1,050,000	-	-	-	1,050,000
$0.15	February 28, 2007	522,620(*)	-	20,000	-	502,620
$0.13	December 9, 2007	-	155,000	77,500	77,500	-
		2,387,620	155,000	852,500	77,500	1,612,620

(*) Agent options

6. CAPITAL STOCK (continued)

c) Stock-based compensation

During the year ended August 31, 2005, the Company issued 250,000 (2004 - 910,000) stock options to directors and consultants and issued 522,620 to agents. As a result $7,250 (2004 - $28,200) was recorded as stock-based compensation, $30,312 (2004 - $Nil) was recorded as share issue costs, and $37,562 (2004 - $28,200) was credited to contributed surplus.

During the period ended May 31, 2006, the Company issued 155,000 stock options to consultants. A total of $9,176 was recorded as stock-based compensation and credited to contribute surplus.

The fair value of each option granted is estimated on the grant date using the Black-Scholes option pricing model. The assumptions used in calculating fair value are as follows:

Risk-free interest rate	2.77% to 2.89%
Expected life of options	2 - 3 years
Expected volatility	50%
Expected dividend yield	0.0%

d) Warrants

As at May 31, 2006, the Company has warrants outstanding for the purchase of a total of 21,091,359 common shares as follows:

Exercise Price	Expiry Date	Outstanding May 31, 2006
$0.20	Sept. 7, 2006	950,000
$0.20	Oct. 7, 2006	400,000
$0.30	Feb. 28, 2007	593,334
$0.30	Feb. 28, 2007	104,524(*)
$0.25/$0.35	Dec.23, 2006/2007	18,443,501
$0.25/$0.35	Feb.10, 2007/2008	600,000
		21,091,359

(*) The warrants at the date hereof have not been issued but shall be issued to the Agent, Capital Research, if and when it exercises its Agent's option/

7. RELATED PARTY TRANSACTIONS

Included in the determination of net loss for the period are salaries and fees to a director recorded at their exchange amounts of $142,303 (2005 - $45,500), and stock based compensation to directors recorded at their fair values of $5,625 (2005 - $3,750). Included in mineral properties are fees paid to a director recorded at the exchange amount of $12,000 (2005 - $12,000) and property acquisition fees in the amount of $17,500(2005 – Nil).

During the period an officer and directors of the Company exercised 695,000 options for proceeds of $69,500.

During the period officers and directors of the Company acquired an aggregate of 416,667units in a private placement for proceeds of $67,500.

8. SUBSEQUENT EVENT

The Company closed a non-brokered private placement for gross proceeds of $345,000. A finder's fee of $30,000 is payable netting the company $315,000. The number of units issued was 2,300,000 at $0.15 a unit, consisting of 1 common share and 1 non-transferable warrant excisable over 2 years, during the 1st year at $0.25 and during the 2nd year at $0.35.

DENTONIA RESOURCES LTD

FORM 51-102F1 – MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Third Quarter Ended May 31, 2006
(Unaudited Financial Statements)

Prepared as at July 20, 2006

DESCRIPTION OF BUSINESS AND REPORT DATE

Dentonia Resources Ltd. ("Dentonia" or the "Company") was incorporated in the Province of British Columbia on May 31, 1979 under the name Rubicon Resources Ltd., changed its name to Dentonia Resources Ltd. on October 19, 1979

Currently, the Company, either directly or indirectly through its 1/3 equity interest in DHK Diamonds Inc. ("DHK"), has interests in or has under option two diamond, one gold, and one copper-molybdenum property, these properties are in the early stages of exploration.

The Company is a reporting issuer in British Columbia and Alberta, became a publicly traded company on the Vancouver Stock Exchange in 1982 and continues to trade on the TSX Venture Exchange (the "Exchange"), under the symbol "DTA", and is registered as a foreign exempt corporation under section 12g3-2(b), file #82-627, with the Securities & Exchange Commission.

The Company prepared its financial statements in Canadian dollars and in accordance with Canadian generally accepted accounting principles and its Management's Discussion and Analysis (MD&A) should be read in conjunction with its unaudited financial statements for the quarters ended May 31, 2006 and 2005 and the audited financial statements for the fiscal years ended August 31, 2005 and 2004.

OVERALL PERFORMANCE

As of May 31, 2006 the Company had a total working capital of $2,820,225 (2005 - $805,167), compared with a working capital of $591,226 as of August 31, 2005, the fiscal year end.

For the first nine months ended May 31, 2006, the Company recorded a net loss of $436,095 including a $167,566 mineral property write-off or $0.01 per share, compared to net loss of $247,119 or $0.01 per share for the same period in the prior fiscal year.

With funds raised through its private placement completed on December 23, 2005 and February 10, 2006 and July 20, 2006, earlier financings, and the exercise of warrants and options up to July 21, 2006, Dentonia has approximately $2,961,000 on hand, of which $864,778 are flow-through funds to be expended on CEE (Canadian Exploration Expenditures) by year end 2006.

There are sufficient funds to make Dentonia's remaining pro rata contribution to the current Large Diameter Hole (LDH) program of the Main Vent of the DO27, the processing of 566 tonne kimberlite sample, which is in progress at the Ekati Mine, and make contribution to the summer/fall drill program of any newly discovered geophysical targets, delineation drilling of the North-East Lobe of DO27 and the DO18, drilling of the corridor between the DO27 and DO18, for the purpose to establish probable and possible kimberlite reserves in the two pipe complex, and in the fall 2006 to make its contribution to a LDH drill program of the North Eastern Lobe of the DO27 and the DO18, at a total estimate cost, between now and the end of 2006, of approximately $14,200,000 or in the case of Dentonia, approximately $1,000,000.

Additionally, Dentonia is in a position to carry out meaningful exploration programs at the Atkinson Gold Prospect, Ontario and the Thomlinson Creek Molybdenum Prospect, British Columbia.

PROPERTY SUMMARIES

DIAMONDS

(1) WO Diamond Project, Lac de Gras , NWT

The Processing of 566 Tonne Kimberlite began at the Ekati Diamond Mine Plant,

The Ekati Diamond Mine Sample Plant began processing the 566 tonne kimberlites sample extracted from the Main Vent of DO27 this winter and spring,, on June 15, 2006.

The operator, Peregrine Diamonds Ltd., estimates that the processing of the 566 tonnes of kimberlites, including the picking and sorting of all the diamonds, as well as grade calculations, should be completed by late August, 2006, at which time results will be released.

The DO27 and DO18 kimberlites (Tli Kwi Cho) is one of the largest kimberlite complexes discovered to date in the NWT, only exceeded by the Wombat and Jay Pipes of BHP Billiton, which currently are not in production but are being sampled.

The mini bulk sample of 151 tonnes, in 2005 from the Main Vent of DO27 kimberlite pipe, graded approximately 1 carat/tonne, and the value of diamonds was estimated from a low of US$54.54 to a high of US$77.77 per carat, which is within the range of prices per carat and grade of some of the producing kimberlite pipes at Lac de Gras, namely Ekati's Panda, Koala, Fox, and Sable pits, or for Ekati's average, as a whole, of 1.09 ct/tonne.

Subsequent to July 20, 2006, a joint venture meeting of the partners was held, the partners agreed to additional programs of core drilling of any newly defined geophysical target within the WO block, the continuous delineation drilling of the North Eastern Lobe of the DO27, and, in the fall, to a LDH drill program of the North Eastern Lobe of the DO27 and the DO18. The intention is to fully explore the 12+ hectare DO27 and DO18 complex to a pre-feasible stage.

DHK Diamonds Inc. holds a 20% interest in the WO diamond project, which includes both the DO27 and DO18 kimberlites, and Dentonia has a 1/3 equity interest in the DHK Diamonds Inc. or a net 6.67% interest.

(2) Pellatt Lake Claim Block – NWT, Canada

Peregrine Diamonds Ltd. ("Peregrine"), the optionee of 13 mineral claims, (33,500 acres), part of Peregrine's Pellatt Lake Project, 7 claims are optioned from Dentonia, and 6 from DHK, advised on April 26, 2006 as follows:

> "Ground geophysical surveys began at the Pellatt Lake project on March 2, and drilling commenced on April 1, 2006. Hole PL06-05 intersected three kimberlite horizons, the thickest of which is a multiphase 10-metre band. This hole was drilled approximately 150m west of a known kimberlite (PL01) and micro-diamond analyses on the recovered core is in progress. Previous micro-diamond

> analyses have been conducted on this body confirming that it is diamondiferous; additional testing is warranted due to its complex, multiphase nature. Furthermore, the geophysical structure which hosts this kimberlite can be traced for more than 1 kilometer along strike and is open to the west. Additional work is planned along this structure to be completed in the summer of 2006."

No additional information has been provided to date.

The Pellatt Lake claim block is located approximately 40km to the northeast of the Ekati Diamond Mine and immediately adjacent to DeBeers' Hardy Lake leases.

Dentonia and DHK's Pellatt Lake properties are the subject of two option agreements, dated May 23, 2003, between Dentonia and Peregrine; and DHK and Peregrine. Under the terms of these agreements, Peregrine has the option to earn up to 75% interest in these properties by completing a Falcon™ Survey (completed), paying for all additional exploration costs, and arranging financing to bring any discovery into production. Dentonia has a 1/3 equity interest in DHK.

DHK has made an application, under the "Canada Mining Regulation", to obtain a 21-year lease for the three claims surrounding the PL01 kimberlite, which is pending.

The PL01 kimberlite, as reported by Kennecott, produced from a 142kg sample, 57 micro and 6 macro diamonds (>0.5mm). These three claims are subject to 1% royalty in favor of Kennecott.

<u>DIAMOND PRICE</u>

Reprint from "**De Beers Stockpile of Diamonds is gone ---** " by Dr. Steve Sjuggerud, PhD.

The rapid rise of new wealth in China, India, and the oil-rich Middle East has seen demand for diamonds skyrocket. You can see how this new demand has been hitting the diamond market. Take a look at this chart:

According to Forbes, last year retail sales of diamonds in China shot up 12% to $1.4 billion.

The new rising demand has boosted prices – the Wall Street Journal noted in January 2006: *"Prices of rough diamonds have risen as much as 40% over the past two years."* Demand is expected to soar even further in the next 10 years… now that the supply is in question.

Over the next 10 years, diamonds could be one of the best-performing investments in the world.

GOLD

(1) Atkinson Gold Prospect, Abitibi Greenstone Belt, Porcupine Mining Division, 15-20km South of the Detour Lake Mine, below James Bay, Ontario

The Atkinson Gold Prospect is located in the prolific Abitibi Greenstone Belt of Ontario and Quebec, 20km south-east of Detour Lake Mine Camp, Ontario, and 40km north-west of Aurizon Mine's Berardi Project, Quebec.

Dentonia intersected 14.0g/tonne gold over a width of 7.7m during last winter's drill program. This drill program is to be continued this fall, additional claims have been staked.

New discoveries are being made by Pelangio Mines Inc. and Trade Winds Venture Inc. (see their news releases June 25, 2006) at the Detour Lake Mine camp and by Aurizon Mines Ltd. at Casa Berardi (its news release June 23, 2006).

Aurizon Mines Ltd. was the subject of a hostile takeover bid, now abandoned, after the BC Court of Appeal agreed with the BC Supreme Court, that North Gate Minerals Corporation was in violation of a standstill agreement. Reference is made to an article in The Vancouver Sun, Saturday, July 1st, 2006, to quote:

> "The Supreme Court of British Columbia has granted an injunction that prevents Northgate Minerals Corp. from proceeding with its takeover bid for Aurizon Mines.

To quote from the Financial Post, July 8, 2006:

> “Northgate’s offer valued Aurizon at $3 per share. The resulting gold and copper miner would have had assets in British Columbia, Ontario and Quebec, with a market capitalization of more than $1 billion.
>
> Aurizon CEO David Hall said the deal would have diluted his shareholders’ ownership in the company’s Casa Berardi project in Quebec and exposed them to Northgate’s “riskier” assets.
>
> “We had reservations about the quality of their assets,” he said, Mr. Hall said the mine (Casa Berardi) is planned to go into production in the fourth quarter of this year, and he expects Aurizon will attract other offers “where one plus one equals two or three, not less than one.”

Dentonia has an option to earn a 100% interest in the Atkinson gold prospect, subject to a 2% royalty, over an eight year period with buy-out-rights. To date Dentonia has complied with all terms of the Option Agreement.

COPPER MOLYBDENUM

Thomlinson Creek Copper Molybdenum Property, near Hazelton, British Columbia

Dentonia has began work on its Thomlinson Creek Prospect, located 40km north-east of the town of Hazelton and 11km east of the 42 million tonne Mount Thomlinson deposit, consisting of line cutting, expanded soil and silt sampling, and the preparation of drill pads for the fall drill program.

The 2nd phase of this exploration program will consist of approximately 1,500m of drilling, in five holes, to begin late August/or early September.

The Thomlinson Creek prospect was described by Don MacIntyre, Ph.D., P. Eng., independent consultant and project manager, as follows:

> “Although there is some mineralization in outcrop, much of the area is covered by transported overburden. One grab sample from a float boulder measuring approximately 1 x 1.5 metres returned an assay of 0.89% Cu, 0.04% Mo and 60 ppb Au. The mineralization is associated with an exceptionally strong soil geochemical anomaly which extends over a length of 5 kilometres, with values up to 10,200 ppm Cu and 600 ppm Mo. The Noranda drilling in 1980 unfortunately did not explain the strong soil geochemical results. One hole (TC81-6) located on a relatively weak portion on the western end of the soil geochemical anomaly returned 0.1% Cu and 0.03% Mo across 72 metres. The best mineralization was at the bottom of this hole, where a 6 metres section returned 0.17% Cu and 0.236% Mo (or 0.39% MoS_2).”

Location and Access

The Thomlinson Creek property is located approximately 42 kilometers north-northeast of the town of Hazelton in West Central British Columbia. Trans-provincial highway 16 and the Canadian National Railway are located 40 kilometers to the south. Recent logging roads provide easy access to the property. Dentonia has the right to earn 100% interest in the project.

Molybdenum Prices and Uses

Recent price gyrations of other metals have not affected the price of molybdenum, to date, it appears that the price of molybdenum has stabilized at approximately US$25.50 per lb. Referring to the Financial Post's Column "Commodities Cash Prices (July 19, 2006)"; it quotes Molybdenum Ferr. (kg) at US$58, which converts to approximate US$25.50 per lb. This is still a spectacular increase in the price of molybdenum from a low of US$2-$3 per lb. in 2002-2003 to a high of US$39 per lb. in 2005 to its current level at US$25.50 per lb.

Molybdenum is a hard grey metallic element with a melting point of 2,617ºC, used to strengthen steel alloys. Its alloying versatility is unmatched, because its addition to steel enhances strength, hardness, welding toughness, elevated temperature strength, and corrosion resistance of the steel, as an example, it is used in pipe lines.

In a report by Ken Reser, September 30, 2005 titled "Molybdenum --- The Big Secret", Ken Reser refers to molybdenum as "the metal for the 21st century". The "Big Secret" is the fact that molybdenum may be used more and more, as a catalyst, currently only 8%, in the liquefaction of coal, oil sands, plastics, and tires, to quote from the report:

> "The other aspect of this trend towards liquefaction is the use of recycled tires and plastics in the process. The plastic alone is estimated comprise approximately 21% by volume of US landfill sites. There is obviously no need to mention the quantities of used tires in the world. The process for the liquefaction involving tires and plastic is called Co-Processing and is achieved by combining feed-stocks of coal with the other two products simultaneously.
>
> Without going into a long scientific and technical overview of the coal liquefaction and the co-processing technologies it is important to realize that the present success and feasibility of coal liquefaction is hinged on the recent perfection of an Iron/Molybdenum catalyst used in the de-sulfurization portion of the process. Soon you will be reading about another new scientific field concerning Molybdenum and Nano-Particle Technology. After all I have written about here in this report, it is my estimation and firm belief that we are now witnessing a historic time in the new expanding uses and demands on Molybdenum in the ever changing world of the Catalyst & Alloy Metals markets and those changes/discoveries are becoming more intense as time passes. To this end I believe now more than ever that, "MOLYBDENUM IS THE METAL OF THE 21ST CENTURY".

Dentonia has an option to earn 100% in the Thomlinson Creek Prospect, by making further payments over 9 years, subject to royalties with Dentonia retaining buy-out-rights.

RESULTS OF 3rd QUARTER OPERATIONS

Nine Months Ended May 31, 2006

The Company experienced a net loss of $436,095, including a $167,566 mineral property write-off or $0.01 per share for the first 9 months of Fiscal 2006, compared to a net loss of $247,119 or $0.01 per share for the first 9 months of Fiscal 2005.

General and administrative expenses totaled $294,024 for the period ended May 31, 2006 compared to $244,169 for the period ended May 31, 2005. Details of the five largest general and administration are as follows:

Legal, audit and accounting $21,142 (2005 - $40,311)

Transfer agent and filing fees of $39,027 (2005 - $16,572)

Consulting fees of $17,130 (2005 - $20,011)

Shareholder and public relations of $25,637 (2005 - $31,853) consisted of dissemination of news releases, mailing brochures, maintaining a website at www.dentonia.net, meeting with shareholders, brokers and investors and dissemination of information through Stockwatch and Stockgroup.

Wages and benefits of $142,303 (2005 - $94,649) for management of the Company's affairs as a result of increased activities such as private placements, and property expenditures.

The Company expects to spend the same amount in the next quarter.

All other expenses are in the normal course of doing business.

FINANCINGS

Warrants and Options Exercised During the Nine Month and to the Date of This Report

During the period from September 1, 2005 to July 20, 2006, 645,000 share purchase warrants at an exercise price of $0.13 were exercised providing $83,850; 842,666 share purchase warrants at an exercise price of $0.16 a warrant were exercised for $134,826; 3,435,000 share purchase warrants at an exercise price of $0.10 were exercised for $343,500; 280,000 share purchase warrants at an exercise price of $0.10 were exercised for $28,000 and 210,700 share purchase warrants at an exercise price of $0.20 were exercised for $42,140. In addition 20,000 Agent's Option at an exercise price of $0.15 were exercised for $3,000; 695,000 directors & employees options at $0.10 per share were exercised for $69,500; 77,500 consultant options at $0.13 a share were exercised for $10,075; and 60,000 consultant options at $0.10 were exercised for $6,000 or in total of $635,316.

Private Placements during the Nine Month and to the Date of This Report

A non-brokered private placement which was completed on December 23, 2005, netted the Company $1,252,000 flow-through funds and $1,827,525 non-flow-through funds, in total $3,079,525. The number of units issued were 6,260,000 flow-through at $0.20, consisting of 1 common share and 1 non-transferable non-flow-through warrant attached, exercisable over 2 years, during the 1st year at $0.25 and during the 2nd year at $0.35, and 12,183,501 non-flow-through units at $0.15, with warrant attached, exercisable over 2 years, during the 1st year at $0.25 and during 2nd year at $0.35.

A non-brokered private placement was completed on February 10, 2006, netting the Company $40,000 flow-through funds and $72,000 non-flow-through funds, in total $112,000. The number of units issued were 200,000 flow-through at $0.20, consisting of 1 common share and 1 non-transferable non-flow-through warrant attached exercisable over 2 years, during the 1st year at $0.25 and during the 2nd year at $0.35, and 400,000 non-flow-through units at $0.18, with warrant attached, exercisable over 2 years, during the 1st year at $0.25 and during 2nd year at $0.35.

In addition, another non-brokered private placement was completed on July 14, 2006, providing the Company with gross proceeds of $345,000. A finder's fee of $30,000 is payable to Jomtien Commercial Investments Limited, netting the company $315,000. The number of units issued were 2,300,000 units at $0.15 a unit, consisting of 1 common share and 1 non-transferable warrant excisable over 2 years, during the 1st year at $0.25 and during the 2nd year at $0.35.

The total net amount realized from the three private placements and the exercise of warrants and options from September 1, 2005 and July 20, 2006, was the sum of $4,141,841.

The funds raised by these private placements, the exercise of warrants and options will be used for general corporate purposes, the financing of the sampling of the Main Lobe or Southern Lobe of the DO27, core drilling and possible sampling of the DO18 and, and the flow-through funds in the current amount of $878,445 for "Canadian Exploration Expenditures" on the Atkinson Gold, the Thomlinson Creek copper molybdenum prospects and possibly on the WO Diamond Project.

EIGHT MOST RECENTLY COMPLETED QUARTERS WITH LAST QUARTER ENDED MAY 31, 2006

Fiscal Year 2006/2005				
	May 31, 2006	**Feb. 28, 2006**	**Nov 30, 2005**	**Aug 31, 2005**
Total Revenue	$23,821	$Nil	$1,674	$Nil
General and administrative expenses	108,781	101,917	83,326	318,566
Write off of exploration costs on outside properties and properties abandoned	Nil	167,566	Nil	Nil
Income (Loss) from continuing operations: - In total - Basic and diluted loss per Share	 (84,960) (0.00)	 (269,483) (0.01)	 (81,652) (0.01)	 (270,653) (0.01)
Total Assets	4,612,760	4,666,057	1,496,607	1,235,599
Total Long Term Financial Liabilities	Nil	Nil	Nil	Nil
Cash Dividends Declared per share	Nil	Nil	Nil	Nil
Fiscal Year 2005/2004				
	May 31, 2005	**Feb. 28, 2005**	**Nov. 30, 2004**	**Aug. 31, 2004**
Total Revenue	$Nil	$Nil	$Nil	$Nil
General and administrative expenses	93,655	85,884	64,238	36,128
Write off of exploration costs on outside properties and properties abandoned	Nil	Nil	5,000	Nil
Income (Loss) from continuing operations: - In total - Basic and diluted loss per Share	 (91,997) (0.01)	 (85,884) (0.01)	 (69,238) (0.01)	 (36,128) (0.01)
Total Assets	985,142	1,096,540	339,356	305,175
Total Long Term Financial Liabilities	Nil	Nil	Nil	Nil
Cash Dividends Declared per share	Nil	Nil	Nil	Nil

Fully diluted loss per share is not been presented.

LIQUIDITY

All of the Company's properties are at the exploration stage. The Company does not expect to generate any revenues in the near future and will have to continue to rely upon the sale of equity securities to raise capital. Fluctuations in the Company's share price may affect its ability to obtain future financing and the rate of dilution to existing shareholders.

CAPITAL RESOURCES

The Company sees the exercise of stock options and warrants as a source of capital and as of the date of this Report, the stock options and some of the warrants outstanding are in-the-money. See Note 6 of the interim financial statement for a list of the stock options and warrants outstanding at May 31, 2006 and page 10 and 11 of this MD&A.

RISKS AND UNCERTAINTIES

The risks and uncertainties affecting the Company remain substantially unchanged from those disclosed in the Annual MD&A, with the exception of financing. To the date of July 20, 2006, the Company completed three non-brokered private placements and with the exercise of warrants and options, $4,171,841were realized by the Company. It is the management's opinion that the proceeds from these financings should be sufficient to carry out the Company's planned exploration programs and to meet the Company's ongoing administrative expenses for a period of at least twelve months.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A using the terms "may", "expects to", "projects", "estimates", "plans", and other terms denoting future possibilities, are forward-looking statements in respect to various issues including upcoming events based upon current expectations which involve risks and uncertainties that could cause actual outcomes and results to differ materially. The future conduct of the Company's business and the feasibility of its mineral exploration properties are dependent upon a number of factors and there can be no assurance that the Company will be able to conduct its operations as contemplate and the accuracy of these statements cannot be guaranteed as they are subject to a variety of risks that are beyond our ability to predict or control and which may cause actual results to differ materially from the projections or estimates contained herein. The risks include, but are not limited to, the risks described in the this MD&A; those risks set out in the company's disclosure documents and its annual, quarterly and current reports; the fact that exploration activities seldom result in the discovery of a commercially viable mineral resource and are also significant amounts of capital to undertake and the other risks associated with start-up mineral exploration operations with insufficient liquidity, and no historical profitability. The Company disclaims any obligation to revise any forward looking statements as a result of information received after the fact or regarding future events.

OFF BALANCE SHEET ARRANGEMENTS – DHK DIAMONDS INC. ("DHK")

The Company's interests in the WO claim block, mineral leases SAS1, 2, 3 and six (6) Pellatt Lake claims, are indirectly held through DHK, a private company incorporated under the laws of NWT, in which the Company has a 1/3 equity position.

As of the date of this MD&A, the following advances were made, by way of shareholder's loan and subscription for common shares, the latter at $100 per share, by the respective shareholders of DHK.

Shareholders' Advances	
Dentonia Resources Ltd.	$1,249,000
Horseshoe Gold Mining Inc.	1,193,612
Kettle River Resources Ltd.	1,135,764
	$3,578,376

Current Shareholdings and Subscriptions in DHK

Name of Subscribers	Number of Common Shares Held	Amount of Subscription
Dentonia Resources Ltd.	682	$68,200
Horseshoe Gold Mining Inc.	682	$68,200
Kettle River Resources Ltd.	682	$68,200
		$204,600

Current cash balance in DHK's bank account is approximately $51,126.49, which includes the 2 bond refunds from Pellatt Lake property for $15,494.95 and $15,496.05. DHK is up to date with its contribution to the WO Diamond Project, the last cash call of $195,783 was paid on July 18, 2006, in total the sum of $2,891,682.75 was paid from September 2005 to July 2006. $162,617 is owed to "Archon" for drill testing the DHK and WI claim blocks in 2001, and the WO claim block in 2003, these payments are subject to obtaining a "written reports", detailing the exploration results; to date no such report has been received.

TRANSACTIONS WITH RELATED PARTIES

See Note 7 of the interim financial statement for a list of transactions with related parties.

PROPOSED TRANSACTIONS

The board of directors is not aware of any proposed transactions involving an asset or business or business acquisition or disposition which may have an effect on financial conditions, results of operations and cash flows, other than those in the normal course of the Company's business, however, discussion to dissolve DHK Diamonds Inc., among its 3 shareholder, have been held, but the shareholders have been unable to resolve the questions of the unequal contributions to DHK as shown above, and have not been able to resolve the questions of outstanding liabilities which is a requirement, under the laws of NWT, before a consent dissolution is possible. In addition a dissolution may entail income tax issues which have not been determined.

A direct interest in the WO Diamond Project would allow DHK's shareholders to use flow-through funds (CEE) for further expenditure of this project.

DISCLOSURE OF OUTSTANDING SHARES, WARRANTS AND OPTIONS AS OF THE DATE OF THE REPORT

As of July 20, 2006 Total Issued and Outstanding shares of the Company are: 58,042,411 common shares. (Subsequent to July 20, 2006, an addition of 2,300,000 common shares will be issued pursuant to the private placement, which completed on July 14, 2006.)

As of the Date of the Report, the following Directors' and Employees' Options are outstanding:

Name	No. of Shares	Exercise Price	Expiration Date
Adolf A. Petancic	300,000	0.10	March 26, 2007
Brian E. Weir	200,000	0.10	March 26, 2007
H. Martyn Fowlds	300,000	0.10	March 26, 2007
Robert Culbert	50,000	0.12	October 1, 2006
Peter Aven	10,000	0.12	October 1, 2006
Ronald McMillan	250,000	0.10	March 26, 2007
TOTAL:	1,110,000		

<u>As of the Date of the Report, the following Agent's option is outstanding</u>:

Name	No. of Shares	Exercise Price	Expiration Date
Research Capital Corporation	502,620	0.15	February 28, 2007

<u>As of the date of this Report, the following warrants are outstanding</u>:

Number of Warrants	Price	Expiry
950,000	$0.20 per share if exercised on or before September 7, 2006.	September 7, 2006
400,000	$0.20 per share if exercised on or before October 7, 2006.	October 7, 2006
593,334	$0.30 per share if exercised on or before February 28, 2007.	February 28, 2007
*104,524	$0.30 per share if exercised on or before February 28, 2007.	February 28, 2007
18,443,501	$0.25 per share if exercise on or before Dec. 23, 2006. $0.35 per share if exercise after Dec. 23, 2006 and on or before Dec. 23, 2007	December 23, 2007
600,000	$0.25 per share if exercise on or before Feb. 10, 2007 $0.35 per share if exercise after Feb. 10, 2007 an on or before Feb. 10, 2008	February 10, 2008
TOTAL: 21,091,359		

If all warrants are exercised before February 28, 2007, the Company will realize $5,558,547.

*The warrants at the date hereof have not been issued but shall be issued to the Agent, Capital Research, if and when it exercises its Agent's option.

(Subsequent to the date of this report, an additional 2,300,000 warrants will be issued pursuant to the Private Placement, which was completed on July 14, 2006)

INVESTOR RELATIONS

The Company during the six-month period under review retained ProActive Communications and 714428 B.C. Ltd. to disseminate press releases and other material to the media, interested shareholders, investors, and brokers. Pro Active Communications was retained for $2,500/month and 714428 B.C. Ltd. for $4,500/month on a month to month basis.

APPROVAL

The Board of Director of Dentonia Resources Ltd. has approved the disclosures contained in this Interim MD&A. A copy of this MD&A and unaudited financial statements ended May 31, 2006 will be provided to anyone who requests this information.

ADDITIONAL INFORMATION

For press releases and other up-dated information, please contact the Company either by phone (604) 682-1141, fax (604) 682-1144, e-mail at dentonia@telus.net, or refer to the Company's website www.dentonia.net or refer to SEDAR website www.sedar.com.

FORM 52-109F2

CERTIFICATION OF INTERIM FILINGS

I***, Adolf A. Petancic, President and Chief Executive Officer of Dentonia Resources Ltd.,*** certify that:

1) I have reviewed the interim filings (as this term is defined in Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*) of ***Dentonia Resources Ltd.,*** (the issuer) for the interim period ending ***May 31, 2006*****;**

2) Based on my knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings;

3) Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings;

4) The issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the issuer, and we have:

   (a) designed such disclosure controls and procedures, or caused them to be designed under our supervision, to provide reasonable assurance that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by other within those entities, particularly during the period in which the interim filings are being prepared;

   (b) designed such internal control over financial reporting, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP; and

5) I have caused the issuer to disclose in the interim MD&A any change in the issuer's internal control over financial reporting that occurred during the issuer's most recent interim period that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting.

Dated: July 20, 2006

"Adolf A. Petancic"
Adolf A. Petancic
President and Chief Executive Officer

FORM 52-109F2

CERTIFICATION OF INTERIM FILINGS

I***, Blaine Bailey, Chief Financial Officer of Dentonia Resources Ltd.,*** certify that:

1) I have reviewed the interim filings (as this term is defined in Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*) of ***Dentonia Resources Ltd.,*** (the issuer) for the interim period ending ***May 31, 2006*;**

2) Based on my knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings;

3) Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings;

4) The issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the issuer, and we have:

   (a) designed such disclosure controls and procedures, or caused them to be designed under our supervision, to provide reasonable assurance that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by other within those entities, particularly during the period in which the interim filings are being prepared;

   (b) designed such internal control over financial reporting, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP; and

5) I have caused the issuer to disclose in the interim MD&A any change in the issuer's internal control over financial reporting that occurred during the issuer's most recent interim period that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting.

Dated: July 20, 2006

"Blaine Bailey"
Blaine Bailey
Chief Financial Officer