MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE QUARTER ENDED MARCH 31, 2006

The following Management Discussion and Analysis ("MD&A") of Quadra Mining Ltd. ("Quadra" or the "Company") has been prepared as of May 9th**,** 2006 and is intended to supplement and complement the accompanying unaudited interim financial statements and notes for the three months ended March 31, 2006. This discussion includes certain statements that may contain 'forward looking' information and reference to the cautionary statement at the end of this MD&A is advised. Additional information relating to the Company including the Annual Information Form ("AIF") is available on the SEDAR website at: www.sedar.com. The Company is a reporting issuer in all provinces and territories of Canada and trades its common shares on the Toronto Stock Exchange under the symbol: QUA.

All financial information in this MD&A is prepared in accordance with the Canadian Generally Accepted Accounting Principles and all dollar amounts are expressed in thousands of United States dollars unless otherwise indicated.

DESCRIPTION OF BUSINESS AND NATURE OF OPERATIONS

Quadra is a base metal producing company that through its 100% owned subsidiary Robinson Nevada Mining Company ("RNMC") owns and operates the Robinson copper mine ("Mine") in Ely, Nevada. In addition, Quadra holds a 100% interest in the Carlota Copper Project ("Carlota"), a development stage SX/EW copper project in Arizona. The Company also has an option to purchase the Sierra Gorda Project, a late stage exploration property near Antofagasta, Chile. The strategic plan of the Company includes growth by optimising operations, developing projects and pursuing merger and acquisition opportunities.

First Quarter Highlights

- The Mine recorded net revenues of $83,936 from sales of 58,036 dry metric tonnes of concentrate
- Operating Income for the quarter was $33,181 or $1.09 per share compared with $6,060 or $0.22 per share for the same reporting period of 2005
- After the unrealized loss on derivatives of $59,063 the loss before income taxes was $38,955 or $1.28 per share reflecting the impact of the copper price increase in the quarter on the hedges associated with copper not yet sold and or produced
- Production for the quarter was 25 million pounds of copper, 14,471 ounces of gold and 144,000 pounds of molybdenum and the onsite and offsite costs were $40,546 and $22,076 respectively*
- The Mine completed the transition from the Tripp Pit to the Veteran Pit at the end of February. The mill processed 3.1 million tonnes of ore grading 0.53% copper, 0.274 grams/tonne gold and 0.013% molybdenum.
- The mineral reserves at the Mine were increased by 27% and the estimated mine life as of January 1, 2006 has increased from 8.3 years to 10.3 years
- The Company completed an equity financing in January 2006 and issued 8.3 million shares for net proceeds of $42,254
- The Company received total proceeds of $3,895 and issued 753,666 common shares as a result of the exercise of warrants issued to brokers who participated in the Company's initial public offering ("IPO") in April, 2004. As a subsequent event in April, 2006 additional proceeds of CAD$4,174 were received from the exercise of the remaining 695,694 IPO warrants
- In connection with the 2006 gold delivery commitment of 25,000 ounces for the Carlota purchase the Company purchased 12,500 ounces of gold at an average price of $554 per ounce and purchased gold calls for 12,500 ounces at an average strike price of $597 per ounce.

- As a subsequent event to the quarter, the air quality permit issued by The Arizona Department of Environmental Quality ("ADEQ") for the Carlota Copper Company's proposed open pit copper mine and processing facility near Globe/Miami has been upheld by the Arizona Court of Appeals.

**Under Canadian Generally Accepted Accounting Principles, offsite and onsite cost terms are not defined terms. Onsite costs consist of mining costs, including deferred stripping and equipment operating lease costs, mill costs, mine site general and administration, royalties and environmental costs. Offsite costs consist of the costs associated with the transportation, smelting and refining of concentrate.*

OVERALL PERFORMANCE

Financial Results

	Q1 2006	Q1 2005
Concentrate production (DMT)	50,229	48,862
Concentrate sales (DMT)	58,036	52,725
Statement of operations ($000)		
Net revenues	83,936	43,474
Cost of sales	45,067	35,199
Depreciation, amortization and depletion	2,857	1,653
Accretion	524	486
Royalties and mineral taxes	2,307	76
Operating income	33,181	6,060
General and administrative	1,773	1,546
Realized loss on derivatives	9,985	-
Stock-based compensation	227	625
Foreign exchange loss	276	29
Net interest and other (income) expense	812	(49)
Earnings before other items	20,108	3,909
Unrealized (gain) loss on derivatives	59,063	(599)
Income tax - current	1,870	-
Future income tax expense (recovery)	(9,695)	720
Earnings (loss)	(31,130)	3,788
Earning (loss) per share	(1.02)	0.14
Financial positions ($000)		
Total assets	323,615	161,691
Total long-term financial liabilities	50,230	29,123

Net Revenues

Revenues are affected by sales volumes and commodity prices. All revenues of the Company are generated by the Robinson Mine.

Net revenues from concentrate sales were $83,936 for the quarter ended March 31, 2006 compared with $43,474 in 2005. The increase in net revenue in the first quarter of 2006 over the same period in 2005 was due to higher copper and gold prices and the increase in sales volume. Net revenues less the realized loss on derivatives for the first quarter of 2006 were $73,951. The realized average copper price for the first quarter of 2006 was $2.30 per pound of copper sold compared to the London Metal Exchange ("LME") average price per pound of $2.24. The realized average copper price for the quarter is calculated by the sum of the current quarter provisional invoices and the previous quarters provisional invoices settled in the current quarter, divided by the total copper pounds sold in the period. In the same period of 2005 the Company did not incur any realized loss on copper derivatives and the realized average copper price was $1.51 compared to the LME average price per pound of $1.48.

Cost of Sales and Expenses

Cost of sales for the quarter ended March 31, 2006 was $45,067 compared to $35,199 in 2005. **(See Robinson Operating Costs)**

Depreciation, amortization and depletion for the quarter ended March 31, 2006 was $2,857 compared to $1,653 in 2005. The significant increase in capital assets in 2006 (capital asset costs: $76,754) over 2005 (capital asset costs: $46,765) resulted in a higher depreciation, amortization and depletion.

Royalties and mineral taxes for the quarter ended March 31, 2006 was $2,307 compared to $76 in the same period of 2005. The majority of the increase in 2006 was due to payment of the Nevada net mining proceeds tax. The Company did not incur any net mining proceeds tax in the first quarter of 2005.

Operating income for the quarter ended March 31, 2006 was $33,181 or $1.09 per share, compared with $6,060 or $0.22 per share in 2005. The increase was mainly due to the higher net revenue generated by increased concentrate sales and higher commodity prices.

General and administrative expenses were $1,733 in the first quarter of 2006 compared to $1,546 in 2005. The increase in general and administrative expenses was mainly due to the increase in corporate activities and staff levels.

The realized loss on copper and gold forward sales contracts was $8,896 and $1,089 respectively in the first quarter of 2006 reflecting the impact of the copper hedging program entered into in the fourth quarter of 2005. There was no realized loss incurred in the first quarter of 2005.

Net interest and other expense was $812 in the first quarter of 2006 compared with net interest and other income of $49 in 2005. The increase in interest expense in 2006 was mainly due to the increase in bank indebtedness associated with the working capital line of credit.

Income before other items in the first quarter of 2006 was $20,108 or $0.66 per share compared with $3,909 or $0.14 per share in 2005.

As at March 31, 2006, the Company had open derivative positions of 51,820 tonnes of copper metal and 40,000 ounces of gold at an average price of $1.69 per pound and $418 per ounce respectively. The mark to market position of these contracts was an unrealized loss before tax of $94,377 as at March 31, 2006. As at March 31, 2005 the Company had open derivative positions of 5,000 tonnes of copper metal and 60,000 ounces of gold at an average price of $1.43 per pound and $406 ounce respectively. The unrealized loss resulting from the mark-to-market position of these contracts as of March 31, 2005 was $1,300.

The Company recorded current income tax expense of $1,870 and future income tax recovery of $9,695 for the quarter ended March 31, 2006 compared with a future income tax expense of $720 in the same period of 2005. The increase in future income tax recovery in 2006 was mainly due to the timing difference created between the tax and accounting basis of the derivative instrument liability.

The Company reports a loss of $31,130 or $1.02 per share for the quarter ended March 31, 2006 compared with a net income of $3,788 or $0.14 per share for the quarter ended March 31, 2005.

Financial Position

Total assets for the quarter ended March 31, 2006 were $323,615 compared with $262,042 at December 31, 2005. The significant increase of assets in 2006 was primarily due to the following:

- Increase in cash in connection with the equity financing and exercise of broker warrants **(see "Equity Financing")**
- Increase in accounts receivable associated with an increase in the copper price at March 31, 2006 compared to December 31, 2005 and timing of receipt of payments for shipments

- Increase in capitalized waste stripping costs
- Increase in future income tax asset

Total long-term financial liabilities as at March 31, 2006 were $50,230 compared with $50,478 as at December 31, 2005.

ROBINSON MINE

<u>Operational Results for the Robinson Mine for the Quarter Ended March 31, 2006</u>

The quarterly performance of the Mine varies as a result of changes in a number of parameters. Significant factors impacting quarterly performance are head grade, metal recovery and waste stripping requirements. Comparative production statistics are as follows:

	2006	2005			
	Q1	Q4	Q3	Q2	Q1
Ore + Waste mined (Tonnes 000's)	17,929	16,713	20,608	17,740	16,017
Ore milled (Tonnes 000's)	3,093	3,426	3,466	3,570	3,296
Stripping ratio	3.8	4.8	4.3	4.2	2.7
Copper grade (%)	0.53	0.57	0.60	0.50	0.51
Gold grade (g/t)	0.27	0.34	0.39	0.33	0.32
Molybdenum grade (%)	0.013	-	-	-	-
Copper recovery	69.5%	73.5%	79.5%	76.4%	74.2%
Gold recovery	54.5%	61.5%	57.3%	51.3%	41.5%
Molybenum recovery	16.7%	-	-	-	-
Mill Operating Time	89%	90%	95%	92%	88%
Copper production (Million lbs)	25.0	31.6	36.5	30.5	27.6
Gold production (ozs)	14,471	22,262	24,666	19,932	14,081
Molybdenum production (Lbs 000's)	144	-	-	-	-
Onsite costs					
- Operating costs	$34,426	$29,224	$33,946	$25,456	$26,565
- Deferred stripping	$6,120	$7,511	$8,084	$4,700	-
Total onsite costs	$40,546	$36,735	$42,030	$30,156	$26,565
Offsite costs	$22,076	$15,593	$16,220	$19,319	$12,809
Total costs	$62,622	$52,328	$58,250	$49,475	$39,374
Capital expenditure	$808	$4,781	$3,568	$1,741	$1,470

Operating Results

Copper production during the quarter was below expectations of 28.7M pounds due to lower copper recoveries and lower mill operating time. Copper mill feed grade was marginally above expectations.

During the quarter ended March 31, 2006 mining of the Tripp Pit was completed and all ore is now being mined from the Veteran Pit. The ore encountered in the first and highest benches of the Veteran Pit proved more difficult than expected to process due to exceptionally high iron content (contained in pyrite and magnetite) and this resulted in the lower than planned copper and molybdenum recovery.

As historical drilling was never assayed for iron, a look ahead blast hole and diamond drilling and metallurgical program was implemented during the quarter. Upon the conclusion of this scouting drill program the iron content for the remainder of the Veteran Pit and its impact on mill performance is expected to be better quantified. Any available pulp samples from previous drilling in the area are also being assayed for iron content. If the recovery does not improve, copper production could be 10-15% below our initial plan for the year. This work is expected to be complete by the end of the second quarter.

Mill production was affected by several maintenance issues which reduced the utilization to 89%. The plant is expected to return to the planned 93% operating time with these issues now resolved. Molybdenum production for the quarter was 144,000 pounds as the molybdenum plant continued to ramp up to full capacity. The plant is currently capable of processing 100% of the feed and is producing a marketable concentrate grade. The molybdenum recovery was negatively impacted by the same mineralogical issues that lowered copper recovery.

Operating Costs

Onsite and offsite operating costs for the quarter at $40,546 and $22,076 were above expected figures of $35,979 and $16,329 respectively. The major components of the difference in on-site costs were heavy equipment maintenance costs, in particular earlier than planned engine replacement costs with contributions from loading equipment and from rebuild costs associated with the smaller trucks purchased from the Washington Group. These overages are not expected to continue throughout the year. The major drivers of the increase in offsite costs were higher price participation charges included in treatment and refining costs arising from higher copper prices and the costs of re-handling and drying concentrate that did not meet moisture specifications.

Personnel Issues

Industry wide shortages of experienced engineering, maintenance and operating personnel continue to challenge the operation. Several key personnel have been lost during the quarter ending March 31, 2006, and turnover throughout the operation has been higher than satisfactory. Overall the experience level of available maintenance and operating personnel is less than optimum but an aggressive recruiting and training program is underway. The main impact is in pit performance, although all facets of the operation are affected including safety.

<u>Outlook</u>

During the quarter, the reserves as of January 1, 2006 at the Mine were updated resulting in a 27% increase in mineral reserves and a revised estimated mine life that increased from 8.3 years to 10.3 years.

A detailed analysis of the impact of future prices and costs has significantly increased the size of the Ruth Pit which will be mined after the Tripp-Veteran Pits. The new proven and probable reserves were based on a $1.15 per pound copper and $425 per ounce gold price. No new drilling or geological analysis was undertaken in calculating the updated reserve estimate. The review did not impact the Tripp-Veteran Pit as the limits of the existing drill data base have been effectively reached for this pit. A detailed summary of the new proven and probable reserves is shown in the table below:

Reserve Table as of January 1, 2006

Reserve Classification	Material Above Cut Off					Material Below Cutoff Tonnes (000's)	Total Material Tonnes (000's)	Strip Ratio
				Contained Metal				
	Tonnes (000's)	Copper %	Gold (g/tonne)	Copper tonnes (000's)	Gold oz (000's)			
Proven	140,412	0.69	0.249	966	1,124			
Probable	5,104	0.73	0.218	37	36			
Proven and Probable [1]	145,516	0.69	0.249	1,004	1,160	493,460	638,976	3.4

[1] The calculated reserves in the Tripp-Veteran pit were based on the current technical report prepared in accordance with National Instrument 43-101 ("NI 43-101") dated June 30, 2004. Mr. Steve Ristorcelli, R.P. Geo. of Mine Development Associates, Inc. ("MDA") of Reno, Nevada was the "Qualified Person" as defined by NI 43-101 for this work. In January 2005, this reserve was adjusted by subtracting the material mined in

2004. In January 2006, Mr. Scott Hardy, P. Eng (Mining) of MDA updated the mineral reserve for the Tripp-Veteran and Ruth pits and is also a "Qualified Person" as defined by NI 43-101. The new Tripp-Veteran and Ruth pit mineral reserves, as updated in January 2006, are based on a $1.15 per pound copper price and $425 per ounce gold price and an update of the economic parameters used for the design of the pit shells.

Mining

Ore from the Veteran Pit will be the feed source for the remainder of the year. A rotary and diamond drill program is underway to better characterize the nature of the remaining reserves within the Veteran Pit from a metallurgical performance point of view and to test some exploration targets outside of the pit design.

Mining, slope stability and maintenance consultants are being used to assist with mine efficiency and operating practices and to address specific problem areas. Pit maintenance personnel are continuing to develop management systems which are being reflected in improved equipment availability.

Processing

Mill performance was affected by a number of unrelated and unplanned occurrences in February and March of 2006. The operation is expected to return to normal operating utilisations going forward. A non-budgeted capital expenditure of $2.3M for an additional concentrate filter will be incurred during the year to ensure that concentrate moisture issues experienced at 2005 year-end and during the first quarter of 2006 will not re-occur and that there is sufficient filter capacity to deal with the higher feed grade levels expected in the second half of the year.

Considerable effort is being directed towards understanding the relationship between the various mineralogies present, rock types, and metallurgical performance in the Veteran Pit. A significant portion of the Robinson reserve is in the form of skarn mineralization that can vary dramatically in terms of grade and mineralogy over relatively short distances. The drilling program now in progress for the Veteran Pit is providing metallurgical samples that will assist in developing a more complete understanding of future metallurgical performance. This work is expected to be completed by the end of the second quarter.

The molybdenum plant is now capable of operating at full capacity and delivering on specification product. The focus is now on recovery and the resolution of the high iron issues associated with Veteran Pit mineralization. The impact of these issues will likely reduce molybdenum production for 2006 below the guidance of 1.0 – 1.6 million pounds as issued in November, 2005.

The concentrate transfer and storage facility (“SALTS”) at Wendover, Utah, leased by RNMC, was put up for sale by the owners and will be purchased at an un-budgeted capital cost of $2,200 over two years.

Costs

The higher than planned on site costs in the first quarter are not expected to continue through the year. However they are not expected to be offset by lower costs in subsequent quarters. The major component of the offsite cost overrun represents price participation and re-handling and drying of concentrate as noted previously. The price participation component of the offsite processing costs is related to copper prices, and will continue to have upward pressure on costs at Robinson while prices remain higher than $1.70. The concentrate moisture treatment costs of $2,000 are not expected to re-occur.

Robinson Upside

During the first quarter of 2006 the mine planning group at Robinson conducted a series of studies that attempted to evaluate the potential impact on mine life of:

1. Using molybdenum revenues on pit design as part of the pit design economic parameters. This is not currently done, as the molybdenum resource is not 43-101 compliant and recovery relationships are not sufficiently understood.
2. Heap leaching existing oxide copper resources – material that does not meet mill feed specifications due to low grade or high oxidation levels, but that may be amenable to heap leaching. When such material is encountered, it is currently classified as waste, but is being stockpiled separately.

3. Heap leaching stand alone gold resources – material that could be amenable to gold heap leaching. When such material is encountered it is currently classified as waste but is now being stockpiled separately.
4. Evaluating the impact of onsite hydrometallurgical processing of concentrate to produce LME grade copper – the various alternative treatment methods are being evaluated and samples are offsite for testing.
5. Additional drilling in and around existing pits to increase the life of the pits at Robinson. When the pits were re-optimized in January the Tripp-Veteran Pit did not increase in size though more favourable economics were used. This is because all of the available drilling information optimized was already included in the prior reserves.

Management believes that there is sufficient indicated potential at Robinson to commence an exploration programme budgeted for $5.3 million over two years and have formed a "New Robinson" technical team to evaluate the various opportunities.

Other

The power supply contract is currently being re-negotiated. This contract is one of the major cost centres for the mine and all options for controlling costs are being fully investigated.

RNMC has entered into sales commitments with six different parties for approximately 80% of expected copper concentrate shipments and 100% of molybdenum concentrate in 2006.

CARLOTA

During the fourth quarter ended December 31, 2005 Quadra completed the acquisition of Carlota for a total consideration of $39,704. Quadra paid $15,000 in cash upon closing of the transaction and has agreed to pay eight quarterly gold payments commencing on March 31, 2006 of 6,250 ounces of gold, representing in the aggregate $23,325 based on the average forward price of $520 per ounce on the closing date. The initial payment of $15,000 was financed by drawing down on a bridge loan from Macquarie Bank. **(See "Short Term Debt").** The bridge loan was repaid on February 10, 2006.

During February 2006 the Company's wholly owned subsidiary Robinson Holdings (USA) Ltd. ("RHUSA") bought 12,500 ounces of gold at an average price of $554 per ounce, of which 6,250 ounces was delivered to Cambior Inc. on March 24, 2006 to settle the first deferred gold consideration payment. The remaining 6,250 ounces that were purchased will be delivered to Cambior Inc. on or before June 30, 2006. As at March 31, 2006 the fair value of the 6,250 ounces of gold was $3,638 based on the spot gold price of $582 per ounce on March 31, 2006, resulting in a gain of $178 which was capitalized to mineral property costs prior to the commencement of commercial production.

In addition, in order to cap the cost of the gold to be delivered in September 2006 and December 2006, RHUSA purchased gold calls in February and March which give RHUSA the right to buy 6,250 ounces of gold at a price of $594 per ounce on September 11, 2006 and 6,250 ounces of gold at a price of $600 per ounce on December 11, 2006. As at March 31, 2006, the fair market value of the calls was $457, resulting in a gain of $48 which was capitalized to mineral property costs prior to the commencement of commercial production.

An additional $4,000 in cash may be payable to Cambior Inc. following an agreed-upon drilling program to determine the status of certain material currently included in the reserves of the Carlota deposit. Such additional payment, if any, together with the last four quarterly gold deliveries may be delayed if Quadra's operations at Carlota are delayed in certain circumstances. Quadra has granted a security interest to Cambior over the acquired companies and their assets as security for the payment of the deferred portion of the purchase price.

Carlota is a primarily oxide copper deposit, located in the historic Globe/Miami mining camp in Arizona. Mining will be by open pit. Run-of-mine ore will be heap leached and the solutions processed in an SX-EW plant to produce LME grade cathode copper at the mine. Based on a September 2005 NI 43-101 compliant technical report, Carlota is expected to have an eleven year mine life with an average production rate of approximately 66 million pounds of LME grade cathode copper per year.

<u>Outlook</u>

During the first quarter the Company completed the majority of the work on engineering studies, cost analyses and development of the project execution plan. In addition to completing this work, the Company expects to finalize development plans and financing arrangements for the project with a view to commencing construction of the project in the second half of 2006. Financing options are and will continue to be assessed, with a view to having all necessary funding in place. The project is fully permitted but requires additional submissions related to normal course changes and activities for comment or approval. An order has been placed for a Hitachi EX5500 hydraulic shovel for delivery early in 2007 and other long delivery equipment is being sourced ahead of a formal decision to proceed. Negotiations on power supply are advancing and the water supply wells are being tested.

The Arizona Department of Environmental Quality ('ADEQ') announced on April 12th, 2006 that the air quality permit issued by ADEQ for the Carlota project has been upheld by the Arizona Court of Appeals. The appeals court ruled the decision made by ADEQ in February 2003 to renew Carlota's air permit was proper under both the federal Clean Air Act and the state air quality law. The court rejected arguments by the group Friends of Pinto Creek, which had sought to overturn the permits. The appeals court ruling also affirmed a November 2004 decision by the Arizona Superior Court which likewise had upheld the ADEQ permit.

SIERRA GORDA

Exploration during the quarter focussed on mapping and geologic compilation and data processing. This work was directed towards developing drill targets for near surface, high-grade copper oxides and deep high-grade sulphides.

<u>Outlook</u>

The Company completed two drill programmes totalling 26,201 metres of reverse circulation and core drilling during 2004 and 2005 that have provided a basis for the development of a number of new concepts, which will be drill tested in the second half of 2006. The 17,500 metre drill program scheduled to begin in June, 2006 is a two-part program that will target potential additional oxide resources that are believed to trend under alluvial cover to the north-west of the existing oxide resources, and a potential deep high-grade sulphide core area below the currently defined oxide and sulphide mineralization. Total expenditures for 2006 are expected to be $4,000. Studies are underway to identify viable water sources for any future operations. The Company has previously reported a resource of approximately 5.0 billion pounds of indicated and inferred copper resource at Sierra Gorda.

Market Trends and Fundamentals

Copper Price

Copper prices have historically been both cyclical and volatile, trading within a range of $0.50-$1.60 per pound through the 1980s and 1990s. Following development of significant over-capacity during the early to mid-1990s, copper experienced a six year period of depressed prices, which resulted in reduced exploration and development activity. Since 2003, the growing demand for copper, particularly in China, coupled with an inability of the copper industry to increase supply due to a lack of immediate development projects, has resulted in decreased inventories of copper. These low inventories, together with a weakening U.S. dollar, have led to a substantial increase in the copper price since 2003.

The copper price increased 21% during the first quarter of 2006 from $2.06 per pound on January 2, 2006 to $2.51 on March 31, 2006. Inventories published on the London Metal Exchange declined to a 30 year low of only 25,525 tonnes on July 22, 2005, but they have since rebounded to 117,550 tonnes as of May 2nd, 2006.

Operating Results by Segment

Presently, the only significant operating segment of the Company is the Robinson Mine. The Company is also developing the Carlota Project in Arizona and the Sierra Gorda Project in Chile

SUMMARY OF QUARTERLY RESULTS

The following table summarizes the operating results of the most recent eight quarters during which the Company re-started and undertook the initial year of operations at the Mine:

SUMMARY OF QUARTERLY RESULTS								
	2006		**2005**				**2004**	
$ US 000s	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**
Statement of Operations								
Net Revenues	83,936	65,331	63,432	55,998	43,474	11,932	-	-
Operating income (loss)	33,181	41,672	14,827	11,049	6,060	(218)	(2)	(1)
Earnings (loss) before unrealized (gain) loss on derivatives	20,108	24,557	2,377	9,146	3,909	(1,054)	(1,009)	(1,761)
Unrealized (gain) loss on derivatives	59,063	20,788	4,527	7,746	(599)	1,154	745	-
Earnings (loss) before income taxes	(38,955)	2,933	(12,684)	1,400	4,508	(2,208)	(1,754)	(1,761)
Earnings (loss)	(31,130)	2,200	(10,890)	2,879	3,788	(621)	(1,754)	(1,674)
Basic earnings (loss) per share	(1.02)	0.08	(0.40)	0.11	0.14	(0.02)	(0.06)	(0.06)
Diluted earnings (loss) per share	(1.02)	0.08	(0.40)	0.11	0.14	(0.02)	(0.06)	(0.06)
Financial Position								
Cash	24,421	9,128	9,413	18,427	23,705	12,269	34,712	53,773
Total Assets	323,615	262,042	182,307	167,853	161,691	140,817	137,227	129,761
Total Liablities	203,468	157,890	80,768	55,783	52,993	37,698	33,782	25,004
Shareholders' equity	120,147	104,152	101,539	112,070	108,698	103,119	103,445	104,757

Management Appointments
Mr. R. Bruce Kennedy, P. Eng. was appointed to the position of General Manager at the Robinson Mine in Ely, Nevada.

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2006 the Company had a working capital deficiency of $51,940 and cash of $24,421 as compared to a working capital deficiency of $41,488 and cash of $9,128 at December 31, 2005. The decrease in working capital is mainly due to an increase in the derivative instrument liability of $52,813 **(See "Financial Instruments and other Instruments")**, offset by increases in accounts receivable and cash **(See "Financial Position".)**

Current assets
The total current assets were $101,298 compared to $65,924 at December 31, 2005. The increase in current assets was primarily due to an increase in cash associated with the equity offering, and an increase in the accounts receivable due to the timing of receipts from a copper concentrate shipment at quarter end combined with higher metal prices.

Current liabilities

Current liabilities were $153,238 compared to $107,412 at December 31, 2005. The increase in current liabilities is mainly due to an increase of $52,813 in the derivative instrument liability associated with an increase in copper prices relative to the hedged price partially offset by the repayment of the bank indebtedness associated with the Carlota acquisition of $15,000.

Sources and Uses of Cash

Three months ended March 31	**2006**	**2005**
Cash received from operations	1,240	530
Cash used in investing	(17,517)	(2,570)
Cash provided by financing	31,846	13,505

Operating income was $33,181 for the quarter ended March 31, 2006 compared to $6,060 for the same period in 2005 reflecting higher prices recorded for copper and gold. After recording the realized loss on derivatives of $9,985 in the quarter March 31, 2006 compared to nil in the first quarter of 2005 along with other costs and changes in working capital of $20,882, due to increasing in copper prices associated with accounts receivable and the timing of receipt of payment for shipments, the resulting cash from operations was $1,240 compared to $530 for the quarter ended March 31, 2005. Investing activity reflects an increase in capitalized deferred stripping, the delivery of the gold to Cambior and cash held for security deposits as well as for the environmental bond and trust of $4,915 arising from an update to the mine reclamation plan and scheduled increases to security deposits for existing mining equipment during the quarter ended March 31, 2006 compared to a reduction in security deposits, offset by increases in the environmental trust and bond resulting in a net refund of $1,422 in the same period in 2005. In the first quarter of 2006 financing activity primarily consisted of the equity offering (see **"Equity Financing"**) which raised $47,127 and repayment of the $15,000 bridge facility compared with a draw under the Working Capital Facility of $12,000 in 2005.

Equity Financing

In February 2006 the Company completed an equity offering of 7.2 million common shares at a price of CAD$6.30 per common share. In connection with the equity offering the Company granted the underwriters an option to purchase an additional 1,080,000 common shares at the same price. This option was subsequently exercised and the aggregate net proceeds from the offering were $42,524. The proceeds from this offering are intended to be used as follows:

Repayment of Carlota bridge facility	$15,000
Deferred acquisition costs for the Carlota project - 2006	$13,000
Engineering, design and development for the Carlota project	$4,500
Further exploration work on the Company's properties	$4,000
General corporate purposes	$6,024
Total	$42,524

During the quarter ended March 31, 2006, 753,666 broker warrants from the IPO in April 2004 were exercised for net proceeds of $3,895. As at March 31, 2006, the number of broker warrants outstanding was 695,694. These warrants were exercised in April 2006 for additional net proceeds of CAD$4,174.

The Company expects that the proceeds from the equity offering, existing cash resources, and bank lines of credit together with funds generated from mining operations will be sufficient to meet its capital and operating requirements for 2006. However due to increased capital expenditures **(see "Capital Expenditures")** and higher than expected operating costs during the first quarter **(see "Robinson - Operating Costs")** the Mine may not generate the $35,000 to $45,000 of pre-tax operating cash flow provided in the guidance dated November 29, 2005.

To complete the acquisition and construction of Carlota, the Company will be required to obtain additional financing.

Payments Due By Period							
($thousands)	**Less than 1year**	**1-2 years**	**2 - 3 years**	**3 - 4 years**	**4 - 5 years**	**After 5 years**	**Total**
Short-term debt	20,000	-	-	-	-	-	20,000
Deferred gold consideration	14,175	10,248	-	-	-	-	24,423
Equipment purchase	-	6,495	-	-	-	-	6,495
Notes payable	890	2,131	-	-	-	-	3,021
Derivative instument liability	94,377	-	-	-	-	-	94,377
Mininum lease payments	11,523	13,394	11,263	11,263	14,263	6,319	68,024

Short-term Debt

On March 10th 2005, RNMC arranged a revolving Working Capital Facility and hedge line of credit facility with Macquarie Bank Ltd. ("Macquarie"). Proceeds from the Working Capital Facility are available to provide additional liquidity for the Robinson Mine between the production and final sales of metal concentrate. Each drawdown under this facility is to be no greater than 90% of the net smelter return based on the hedged value of concentrate shipments under current sales contracts. The metal prices used in the estimated value will be based on the hedged prices between each drawdown date and the first provisional payment made by customers pursuant to the terms of their individual sales contracts.

By agreements dated December 19, 2005 the Company amended the terms of the Working Capital Facility to include a Corporate Facility and arranged a Bridge Loan to cover the initial instalment of the Carlota purchase consideration. The amendment to the Working Capital Facility which is valid until June 30, 2006, permits RNMC to borrow up to a total of $20,000 in corporate advances as well as advances secured on inventory. After June 30, 2006 and until March 31, 2007, the facility reverts to the $20,000 working capital facility. The Company was required to hedge all inventory produced and unsold at the end of November 2005 and all production the sale of which would be finally settled in 2006. The Company hedged in total 65,000 tonnes of copper at an average price of $1.70 per pound sold. As at March 31, 2006 the Company had fully drawn down the $20,000 facility.

In addition to the Working Capital Facility, Macquarie agreed to provide Robinson with an uncommitted hedge line of credit facility. The initial terms of this facility allowed Robinson to hedge up to 65,000 tonnes of copper metal and 60,000 oz of gold on a margin free basis. **(See "Financial Instruments and Other Instruments".)**

The Working Capital Facility and the Corporate Facility are secured by a charge over the shares in and assets of RNMC and a guarantee from Quadra. Advances under the Working Capital Facility bear interest at LIBOR + 1.35% while advances under the Corporate Facility bear interest at LIBOR +2.35%. During the term of the Corporate Facility the ability of RNMC to make distributions to Quadra is restricted to certain agreed upon amounts.

The Bridge Facility, in the amount of $15,000 and bearing interest at a rate of LIBOR + 2.35%, was completed concurrently with the closing of the acquisition of the Carlota Project and was secured by all of RHUSA's assets including RNMC and a second charge over Quadra's interest in Cambior USA and Carlota. On December 21, 2005 RHUSA drew down the Bridge Facility in order to pay the $15,000 portion of purchase price payable upon closing of the acquisition of Carlota. The Bridge Facility was repaid on February 10, 2006.

Deferred Gold Consideration

Deferred gold consideration represents the net present value of the 43,750 oz of gold based on a price of $520 per ounce to be delivered to Cambior under the terms of the Carlota acquisition agreement as follows:

- on each of June 30, September 30 and December 31, 2006, 6,250 ounces of gold; plus
- on the later of (i) March 30, 2007; and (ii) the earlier of the date on which Quadra is satisfied that certain outstanding litigation matters can no longer be reasonably expected to inhibit development of the Carlota Project, and June 30, 2010 and on the dates which are 90, 180 and 270 days thereafter, 6,250 ounces of gold.

An additional $4,000 in cash may be payable to Cambior following an agreed-upon drilling program of approximately 3,000 metres to confirm the status of certain material currently included in the resources of the Carlota deposit.

Equipment purchase

On March 3, 2006 the Company's wholly own subsidiary Carlota Copper Company, entered into an agreement to purchase a Hitachi EX5500 shovel for $6,945 and made a non refundable down payment of $450. The shovel will be delivered in May 2007.

Notes Payable

Notes payable consists of notes due to Caterpillar Financial Services Corporation ("CAT") in support of leased mine equipment **(See "Minimum Lease Payments.)** The principal is repayable annually over three years and the interest is payable monthly at an annual interest rate of 6.6% over 39 months with the first payment commencing October 1, 2004. The notes are secured by Security Deposits held by CAT.

Derivative Instrument Liability

In addition to the Working Capital Facility described under the heading Short Term Debt Macquarie has agreed to provide the Company with an uncommitted hedge line of credit facility under which the Company may hedge up to 65,000 tonnes of copper and 60,000 oz of gold on a margin free basis **(See "Financial Instruments and Other Instruments".)**

Minimum Lease Payments

In 2004, RNMC entered into an operating lease agreement with CAT to lease sixteen trucks, one electric shovel and a spare dipper. The total lease payment of the sixteen trucks amounts to $37,672 and is payable over seven years and the payments for the electric shovel and spare dipper is $12,459 payable over six years. In addition, the Mine signed a seven year lease agreement with Wells Fargo Equipment Finance Inc. ("Wells Fargo") to lease one Hitachi EX55000 electric shovel and one spare dipper. The total lease payments in the amount of $6,250 are payable over 7 years.

On October 21, 2005 RNMC signed a lease agreement with CAT to lease Washington Group International ("WGI") equipment. The lease term is 60 months and the total lease payment amounts to $18,156. The lease has been accounted for as a capital lease. The equipment under capital lease is amortized on a unit-of-production basis over the period of expected use.

Certain of these lease agreements contain cross default provisions with the corporate credit facility.

Capital Expenditures

In November, 2005 the Company provided guidance that capital expenditures at the Robinson mine would be $6,000. Due to additional planned capital expenditures pertaining to additional filtration capacity, purchase of the Wendover concentrate transhipment facility and the planned exploration programmes, capital expenditures are now expected to be in the range of $14 million for the year ended December 31, 2006.

CONTINGENCIES

The Company is aware of the following proceedings :

Certain litigation is pending in connection with one key permit for Carlota. There can be no assurance that the outcome of this litigation will be favourable to Carlota. A court may render a decision which may delay or prevent development of Carlota or change the requirements of Carlota to the extent that it is no longer economically viable, which could have a material adverse effect on the Company. There can also be no assurance that, in the event of a favourable ruling, such ruling will not be appealed further to a higher court. There can be no assurance that additional permits required for the development and operation of Carlota will not be challenged in the future.

Pursuant to the Share Purchase Agreement in connection with its acquisition of Carlota, the Company is required to enter into a financial security arrangement with the U.S. Forest Service ("Forest Service") to provide financial security regarding potential reclamation of the program of works submitted to the Forest Service. The current surety bond with the Forest Service of $6,800 was previously arranged by Cambior USA, through Cambior, and expires on September 30, 2006. The Company is in the process of submitting a new proposed program of works and agreeing with the Forest Service the necessary financial assurances.

On July 7, 2005, Gerald Metals Inc. ("GML") declared it would not be accepting delivery on the remaining tonnage of their 2005 allotment of approximately 38,300 tonnes due to a strike at the receiving smelter. The Company sold these materials in the fourth quarter of 2005 in the open market at less favourable terms than the GML contract. The Company is in dispute with the position taken by Gerald Metals Inc. regarding the sales contract and on February 17, 2006 the Company filed a complaint in the Nevada courts to recover its losses. Gerald Metals Inc has yet to file a defence.

On March 16 2006 Katie Davis and LeRoy Davis, on their own behalf and on behalf of their minor daughter Araya Davis, (collectively, the "Davises") filed a lawsuit against RNMC and BHP Copper Inc. ("BHP Copper") (Collectively, the "Defendants") in the Seventh Judicial District Court, White Pine County, Nevada. Katie Davis is the daughter and Araya Davis is the granddaughter of Marilyn and Danny Cooper, with whom similar litigation was settled by the Defendants prior to Ram's acquisition of the Robinson Mine. The Davises have claimed, among other matters, that the Defendants permitted the Robinson Mine to contaminate well water on the Coopers' property and that the Defendants failed to disclose the existence of the pollutants to the Coopers. As a result, the Davises claim that their daughter ingested contaminated water, suffered a condition known as anoxia and was twice airlifted to hospital where on one occasion she had surgery. The Davises have made a claim for: damages for the personal injury and emotional distress sustained by the Davises as a result of the Defendant's negligence; damages resulting from Defendant's fraudulent or negligent misrepresentation; punitive damages; reimbursement of reasonable attorney fees; and such other relief as the Court deems just and proper in the circumstances. .

The Company was not in possession of the Robinson Mine at the time of the events in question. BHP Copper has made a claim of indemnity against the Company claiming that, under the terms of the purchase agreement pursuant to which the Company acquired RNMC, the Company has an obligation to indemnify and hold harmless BHP Copper and its affiliates from any liability arising pursuant to the Davises' lawsuit. The Company has rejected BHP Copper's claim for indemnity. The Company has made a similar claim of indemnity against BHP Copper. BHP Copper has rejected the Company's claim for indemnity. As the Company was not the owner of the Robinson Mine at the time of the occurrence of the events in question and is not currently aware of all of the facts, and because no discovery has been conducted in this litigation, it is impossible at this time for the Company to assess its potential liability in this matter or whether it has an obligation of indemnity to or a right of indemnity from BHP Copper.

TRANSACTIONS WITH RELATED PARTIES

One of the Directors of the Company is a Partner of an affiliate of Blake, Cassels & Graydon LLP and one is a partner of Chancellor Partners Management Consultants Inc. During the three month period ending March 31, 2006 the Company incurred legal fees of $161 and recruiting and human resources consulting fees of $92 respectively payable to those entities (March 31, 2005: $46 and $78 respectively).

PROPOSED TRANSACTIONS

There are no proposed assets or business acquisitions or dispositions, other than those in the ordinary course, before the Board of Directors for consideration.

CRITICAL ACCOUNTING ESTIMATES

In preparing financial statements management has to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Based on historical experience, current conditions and expert advice, management makes assumptions that are believed to be reasonable under the circumstances. These estimates and assumptions form the basis for judgments about the carrying value of assets and liabilities and reported amounts for revenues and expenses. Different assumptions would result in different estimates and actual results may differ materially from results based on these estimates. These estimates and assumptions are also affected by management's application of accounting policies. Critical accounting estimates are those that affect the consolidated financial statements materially and involve a significant level of judgment by management.

Mineral Properties and Deferred Start-up Costs

The Company capitalizes the development costs of mining projects commencing when economically recoverable reserves as shown by an economic study are believed to exist. Upon commencement of commercial production these costs are written off over the life of the mine based on proven and probable reserves. The determination of the extent of reserves is a complex task in which a number of estimates and assumptions are made. These involve the use of geological sampling and models as well as estimates of future costs. New knowledge derived from further exploration and development of the ore body may also affect reserve estimates. In addition the determination of economic reserves depends on assumptions on long-term commodity prices and in some cases exchange rates.

Revenue Recognition and Inventory Valuation

Metal concentrate production is subject to long-term contracts for sale, and revenue is recognized when title passes and payment is reasonably assured. Final metal prices for determining revenue can be several months after the point of recognition and price changes subsequent to the date of sale could have a material impact on final settlement.

Economic Life

Management's estimate of the remaining economic life of the Mine is approximately 10 years based on the updated resource statement provided in accordance with NI 43-101. Based on management's view of future metal prices the carrying value of the assets was not impaired at December 31, 2005.

Asset Retirement Obligations, Reclamation and Mine Closure

Due to uncertainties concerning environmental remediation, the ultimate cost to the Company of future site restoration could differ from the amounts provided. The estimate of the total liability for future site restoration costs is subject to change based on amendments to laws and regulations and as new information concerning the Company's operations becomes available. The Company is not able to determine the impact on its financial position, if any, of environmental laws and regulations that may be enacted in the future.

Future Income Taxes and Resource Tax Asset and Liabilities

The Company has recognized a net future tax asset of $13,188 that relates to the timing difference created between tax and accounting basis of assets and liabilities at the Mine to date. Management estimates that, using long term copper prices in line with its mine plan estimates, the future taxable income will be sufficient to utilize estimated tax assets.

CHANGE IN ACCOUNTING POLICIES

Deferred Stripping

Mining costs related to waste rock removal in excess of the life-of-pit average strip ratio (ratio of waste extracted to ore extracted) are deferred and charged to earnings on the basis of the average stripping ratio. When the waste rock extracted in a given period is less than the life-of-pit average, a charge against earnings for historical stripping is made.

The Emerging Issues Committee of the CICA issued "Stripping Costs Incurred in the Production Phase in a Mining Operation" (EIC 160), which only allows the capitalization of stripping costs which result in a betterment of the asset by providing access to additional sources of ore. EIC 160 also allows pre existing deferred stripping capitalized to be amortized using the unit of production method. This new standard applies to stripping costs incurred in fiscal years beginning on or after July 1, 2006, or it may be applied retroactively. The Company continues to account for stripping costs in 2006 based on the life-of-pit average strip ratio.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Quadra's revenues and cash flows are subject to fluctuations in the price of copper and gold. In addition there is a time lag between initial payment on shipment and final pricing which impacts Quadra's working capital position. To reduce the volatility in the expected final pricing of shipments Quadra has entered into forward sales contracts for copper and gold and may enter into additional hedging contracts from time to time in the future.

In November 2005, Quadra implemented a comprehensive copper hedging program designed to reduce the volatility of the cash flow from the 2006 copper sales from the Robinson Mine. As at March 31, 2006 the company had outstanding copper forward contracts totalling 114 million pounds representing 46 million pounds of copper that have been shipped as at March 31, 2006 but whose final pricing period has not yet occurred and 68 million pounds of copper that have not been shipped and or produced. Final settlement of the 2006 production in excess of the 68 million pounds of hedged copper is expected to occur in 2007, Quadra expects to receive provisional payments in 2006 generally in line with the spot LME price upon shipping.

In 2004 the Company entered a forward sales arrangement for 60,000 oz. of gold. At March 31, 2006, the Company had outstanding 40,000 ounces of gold. The Company plans to settle this amount within the next two years.

The Company monitors the volume of copper and gold subject to final pricing. If the volume subject to final pricing in a given month varies from that previously estimated, the Company will amend the derivative contracts to match the month of final pricing.

Macquarie Bank Limited has provided the Company with a hedge line of credit, free from margin calls, on terms and conditions related to annual production which is agreed upon from time by time. The hedge line of credit is secured as part of the security arrangements in the amended credit agreement dated December 19, 2005.

The Company marks to market the outstanding derivative position at each reporting date in its financial statements. This may result in significant derivative assets or liabilities arising in the Company's balance sheet during 2006 and the first quarter of 2007, as well as the associated significant earnings volatility.

At March 31, 2006 the Company's derivative positions and the associated unrealized losses were as follows:

Derivative Positions

Forward Contracts	Metal under contract	Average Forward Price 2006	Spot Price, Forward curve 2006	Marked to Market Loss (Note 2)
Copper	52,640 tonnes (Note 1)	$1.69/pound	$2.48 (three month)/pound	$87,474
Gold	40,000 ounces	$417/ounce	$582 /ounce	$6,903

Notes:

1) The pricing period for 820 tonnes of copper expired in March 2006 and will be settled in April 2006.
2) The marked to market gain or loss is computed by computing the difference between the forward contract price and the fair value based on the forward curve for the metal at March 31, 2006.

The volume of copper sold forward increased due to the comprehensive hedge program entered into in 2005 while the volume of gold sold forward decreased due to the settlement of contracts during the twelve months ended March 31, 2006. The mark to market loss increased in 2006 over 2005 due to the increase the price of copper and gold combined with the increase in volume of copper.

Income Financial Statement Presentation

Forward Contracts	2006 Realized Loss	2005 Realized Loss	2006 Unrealized Loss	2005 Unrealized gain
Copper	$8,896	Nil	$56,964	Nil
Gold	$1,089	Nil	$2,099	$599

SHARE CAPITAL

The Company's issued and outstanding shares at March 31, 2006 were 36,536,598. As of April 30, 2006 1,449,360 broker warrants issued in connection the Quadra's IPO were exercised resulting in the issuance of 1,449,360 common shares for proceeds of CAD$8,696. As of May 9th the issued and outstanding common shares of the Company were 37,235,625.

In February 2006 the Company completed an equity offering of 7,200,000 common shares. In conjunction with the share issuance, the Company granted the underwriters an option to buy additional 1,080,000 common shares. The option was subsequently exercised and the aggregate net proceeds of the offering were $42,254.

For the quarter ended March 31, 2006, the Company granted 85,000 stock options to directors, employees and contractors. All stock options have a two-year vesting period and expire after five years. For accounting purposes the Company estimated a value of $1.77 per stock option for total value of $151.

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in these assumptions can materially affect the estimated fair value of options granted.

Disclosure Controls

Management accepts responsibility for the reliability and timeliness of the information disclosed and confirms the existence and effectiveness of the systems of internal control that are in place to provide this assurance. The Board of Directors assesses the integrity of the Company's public financial disclosures with the assistance of the Audit Committee.

As at March 31, 2006, an evaluation was carried out, under the supervision of and with the participation of the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective as at March 31, 2006 to provide reasonable assurance that material information relating to the Company and its subsidiaries would be made known to them on a timely basis by others within those entities.

May 9th, 2006

This MD&A contains "forward-looking information" that is based on Quadra's expectations, estimates and projections as of the dates as of which those statements were made. This forward-looking information includes, among other things, statements with respect to Quadra's business strategy, plans, outlook, long-term growth in cash flow, earnings per share and shareholder value, projections, targets and expectations as to reserves, resources, results of exploration (including targets) and related expenses, property acquisitions, mine development, mine operations, mine production costs, drilling activity, sampling and other data, future recovery levels, future production levels, capital costs, costs savings, cash and total costs of production of copper, gold and other minerals, expenditures for environmental matters and technology, projected life of our mines, reclamation and other post closure obligations and estimated future expenditures for those matters, completion dates for the various development stages of mines, future copper, gold, molybdenum and other mineral prices (including the long-term estimated prices used in calculating Quadra's mineral reserves), the percentage of production derived from mechanized mining, currency exchange rates, debt reductions, timing of expected sales and the percentage of anticipated production covered by forward sale and other option contracts or agreements. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as "outlook", "anticipate", "project", "target", "believe", "estimate", "expect", "intend", "should", "scheduled", "will", "plan" and similar expressions. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause Quadra's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to:

* Uncertainties related to the accuracy of our reserve and resource estimates and our estimates of future production and future cash and total costs of production and the geotechnical or hydrogeological nature of ore deposits and diminishing quantities or grades of reserves.

* Uncertainties related to expected production rates, timing of production and the cash and total costs of production and milling.
* Uncertainties relating to copper, gold, molybdenum and other mineral prices, which are beyond the Company's control.
* Operating and technical difficulties in connection with mining development or production activities.
* Uncertainties with respect to the quantity or quality of molybdenum that may be produced at the Robinson Mine. The decision to proceed with the molybdenum recovery circuit was based on the Company's assessment of molybdenum recovered into copper concentrate since November 2004 and an outside consultant's review of historical data. Kennecott Copper Corporation, a previous owner of the property, had recovered molybdenum from ore from the earlier stages of the Robinson Mine's Tripp Veteran Pit and the Ruth Pit. While the historical data source is extensive, Quadra is presently unable to confirm the size or grade of the molybdenum resource.
* Uncertainties and costs related to Quadra's exploration and development activities, such as those associated with determining whether copper, gold, molybdenum or other mineral reserves exist on a property.
* Uncertainties related to feasibility studies and other studies that provide estimates of expected or anticipated costs, expenditures and economic returns from a mining project.
* Uncertainties related to the ability to obtain and retain necessary licenses, permits, electricity, surface rights and title for development projects and project delays due to third party opposition.
* Uncertainties in obtaining additional financing that may result in delay, postponement or even a loss of the property interest.
* Uncertainties related to the future development or implementation of new technologies, research and development and, in each case, related initiatives and the effect of those on our operating performance.
* Uncertainties related to judicial or regulatory proceedings.
* Changes in, and the effects of, the laws, regulations and government policies affecting our mining operations, particularly laws, regulations and policies relating to:
> mine expansions, environmental protection and associated compliance costs arising from exploration, mine development, mine operations, reclamation and mine closures;
> expected effective future tax rates in jurisdictions in which our operations are located;
> the protection of the health and safety of mine workers; and
> mineral rights ownership in countries where our mineral deposits are located.
* Changes in general economic conditions, the financial markets and in the demand and market price for copper, gold, molybdenum and other minerals and commodities, such as diesel fuel, petroleum, steel, concrete, electricity and other forms of energy, mining equipment, operating supplies, and fluctuations in exchange rates, particularly with respect to the value of the U.S. dollar and Canadian dollar, concentrate and transportation charges.
* The effects of forward selling instruments to protect against fluctuations in copper, gold, molybdenum and other metal prices and exchange rate movements and the risks of counterparty defaults, and mark to market risk.
* Unusual or unexpected formations, seismic activity, cave-ins, flooding, pressures, pit wall failures and other similar incidents (and the risk of inadequate insurance or inability to obtain insurance to cover these risks).
* Changes in accounting policies and methods we use to report our financial condition, including uncertainties associated with critical accounting assumptions and estimates.
* Environmental issues and liabilities associated with mining including processing and stock piling ore.
* Geopolitical uncertainty and political and economic instability in countries which we operate.
* Labour strikes, work stoppages, or other interruptions to, or difficulties in, the employment of labour in markets in which we operate mines, or extreme weather conditions, environmental hazards, industrial accidents or other events or occurrences, including third party interference that interrupt the production of minerals in our mines.
* Quadra's reliance on a single producing property.
* Uncertainties relating to acquisitions, including whether the recently acquired Carlota Project can ever be brought into production.

A discussion of these and other factors that may affect Quadra's actual results, performance, achievements or financial position is contained in the filings by Quadra with the Canadian provincial securities regulatory authorities, including Quadra's AIF. This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. Quadra disclaims any intent or obligations to update or revise publicly any forward-looking statements whether as a result of new information, estimates or options, future events or results or otherwise.