Sigma Ventures Inc.

Interim Consolidated Financial Statements
(unaudited)
July 31, 2006

The interim consolidated financial statements which are included in this report have not been subject to a review by the company's external auditors.

Sigma Ventures Inc.

Interim Consolidated Balance Sheet (unaudited)

	As at July 31, 2006 $	As at April 30, 2006 $
Assets		
Current assets		
Cash	-	215,025
Investments, at cost (market value: $489,074)	397,404	61,800
Accounts receivable	17,715,759	3,806,550
Income taxes receivable	-	310,888
Inventories	9,950,186	5,451,695
Prepaid expenses	411,785	215,867
	28,475,134	10,061,825
Property, plant and equipment	15,467,300	6,103,195
Deferred charges	533,922	303,500
Intangible assets	2,647,256	76,446
Future income tax assets	231,253	91,720
Goodwill	4,275,659	1,650,256
	51,630,524	18,286,942
Liabilities		
Current liabilities		
Excess of outstanding cheques over bank balance	509,690	-
Bank loans (note 4)	8,616,109	1,890,695
Accounts payable and accrued liabilities	7,423,173	2,952,679
Deferred revenues	1,960,832	-
Income taxes	1,423,797	54,484
Current portion of long-term debt	3,160,532	2,651,440
	23,094,133	7,549,298
Long-term debt (note 5)	17,299,172	5,576,936
Future income tax liabilities	1,300,942	1,101,389
	41,694,247	14,227,623
Shareholders' Equity		
Share capital (note 6)	6,777,448	1,790,195
Stock options (note 6)	252,658	176,285
Warrants (note 6)	1,377,194	-
Convertible debentures	-	1,000,000
Retained earnings	1,528,977	1,092,839
	9,936,277	4,059,319
	51,630,524	18,286,942

Subsequent event (note 10)

The accompanying notes are an integral part of these interim consolidated financial statements.

Approved by the Board of Directors

_*(S) Denis Bertrand*____________ Director

_*(S) Bruno Doyon*_______________ Director

Sigma Ventures Inc.

Interim Consolidated Statements of Retained Earnings (unaudited)

	Three Months Ended July 31,	
	2006 **$**	**2005** **$**
Balance – Beginning of period	1,092,839	992,194
Net earnings (net loss) for the period	436,138	(54,520)
Balance – End of period	1,528,977	937,674

The accompanying notes are an integral part of these interim consolidated financial statements.

Sigma Ventures Inc.

Interim Consolidated Statements of Earnings (unaudited)

	Three Months Ended July 31,	
	2006 **$**	**2005** **$**
Sales	11,564,375	1,285,823
Cost of sales and operating expenses	10,362,414	1,240,303
Earnings from operations	1,201,961	45,520
Other expenses (revenues)		
Interest on long-term debt	190,789	46,156
Other interest and bank charges	77,273	7,338
Depreciation of property, plant and equipment	243,625	41,730
Amortization of intangible assets	59,319	-
Amortization of deferred charges	30,435	11,526
Foreign exchange loss (gain)	(92,322)	18,183
	509,119	124,933
Earnings (loss) before income taxes	692,842	(79,413)
Income tax expense (recovery)		
Current (recovered)	107,647	(14,671)
Future	149,057	(10,222)
	256,704	(24,893)
Net earnings (net loss) for the period	436,138	(54,520)
Net earnings (net loss) per share (note 8)		
Basic	0.014	(0.003)
Diluted	0.012	(0.003)

The accompanying notes are an integral part of these interim consolidated financial statements.

Sigma Ventures Inc.

Interim Consolidated Statements of Cash Flows (unaudited)

	Three Months Ended July 31,	
	2006	**2005**
	$	**$**
Cash flows from operating activities		
Net earnings (net loss) for the period	436,138	(54,520)
Items not affecting cash		
Depreciation of property, plant and equipment	243,625	41,730
Amortization of intangible assets	59,319	-
Amortization of deferred charges	30,435	11,526
Stock-based compensation	85,457	-
Gain on disposal of property, plant and equipment	(1,200)	-
Future income taxes	(149,057)	(10,222)
	704,717	(11,486)
Change in non-cash working capital items (note 7a)	(1,831,277)	(943,473)
	(1,126,560)	(954,959)
Cash flows from financing activities		
Increase in bank loans	6,725,414	300,000
Long-term debt contracted	19,700,000	208,000
Payments on long-term debt	(8,662,672)	(2,671)
Variation in advances from shareholders	-	(15,000)
Issuance of equity components (note 7 b)	6,040,000	-
Equity component issue expenses	(694,869)	-
	23,107,873	490,329
Cash flows from investing activities		
Additions to property, plant and equipment	(555,270)	(196,591)
Increase in intangible assets	(4,726)	-
Increase in deferred charges	(260,857)	-
Business acquisition, net of cash acquired (note 3)	(21,885,175)	-
	(22,706,028)	(196,591)
Decrease in cash	(724,715)	(661,221)
Cash – Beginning of period	215,025	721,820
Cash (excess of outstanding cheques over bank balance) – End of period	(509,690)	60,599

Additional information (note 7c)

The accompanying notes are an integral part of these interim consolidated financial statements.

1 Interim financial information

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. However, all disclosures required for annual financial statements have not been included in these financial statements. These unaudited interim consolidated financial statements should therefore be read in conjunction with the company's most recent audited annual consolidated financial statements.

The financial information as at July 31, 2006 and for the three-month periods ended July 31, 2006 and 2005 is unaudited. However, in the opinion of management, all adjustments necessary to present fairly the results of these periods have been included. The adjustments made were of a normal recurring nature. Interim results may not necessarily be indicative of results anticipated for the year.

2 Summary of significant accounting policies

These unaudited interim consolidated financial statements are based on the same accounting policies and methods used in the preparation of the company's most recent annual consolidated financial statements, except for the following:

Foreign currency forward contracts

The company has not developed the required documentation regarding the identification, designation, documentation and effectiveness of foreign currency forward contracts for the purpose of applying hedge accounting. The company's foreign currency forward contracts, which are used to hedge anticipated US dollar-denominated sales, do not qualify for hedge accounting and are recorded at fair value. Any unrealized exchange gains or losses are included in earnings.

3 Business acquisition

On June 28, 2006, the company completed the acquisition of all the shares of René Composite Materials Ltd. ("René") and 3547441 Canada Inc., two companies located in Saint-Éphrem-de-Beauce, for a total cash consideration of $23,144,085, including acquisition-related costs. These acquisitions have been financed through a new long-term loan and a bank loan. René is a manufacturer of composite parts for the road transport industry such as parts for Class 7 and 8 trucks whereas 3547441 Canada Inc is specialized in the manufacturing of moulds for the customers of René.

These acquisitions have been accounted for using the purchase method, and the results of operations have been included in the financial statements of the company from the date of acquisition. The purchase price allocation shown below is preliminary and is based on the fair value estimate made by the company with the help of an independent expert as regards property, plant and equipment. Further to the final allocation which is expected to be completed by the end of the current fiscal year, a portion of the purchase price may be allocated from goodwill to identifiable intangible assets and property, plant and equipment.

The allocated values of the net assets acquired are detailed as follows:

	$
Assets acquired	
Cash	1,258,910
Investments	300,027
Other current assets	18,507,410
Property, plant and equipment	9,051,260
Intangible assets	2,625,403
	31,743,010
Liabilities assumed	
Current liabilities	10,906,208
Long-term liabilities	121,791
Future income tax liability	196,329
	11,224,328
Net identifiable assets acquired	20,518,682
Goodwill *	2,625,403
Purchase price	23,144,085
Settled as follows:	
Cash used for the acquisitions	22,047,868
Acquisition-related costs	1,096,217
	23,144,085

* Goodwill is not deductible for income tax purposes.

4 Bank loans

The company has an available line of credit of an authorized amount of $10,000,000 in Canadian dollars, bearing interest at prime rate plus 0.5%. A moveable hypothec over accounts receivable, inventories and all present and future tangible and intangible assets has been given as security for the line of credit. This line of credit is renewable annually.

5 Long-term debt

	As at July 31, 2006 $	**As at April 30, 2006 $**
Decreasing revolving bank loan, bearing interest at prime rate plus 0.60%, payable in monthly principal instalments of $175,000, maturing in July 2011. A moveable hypothec over the universality of the company's present and future tangible and intangible assets has been given as security for this loan	14,525,000	-
Decreasing bank loan, bearing interest at prime rate plus 4.00%, payable in monthly principal instalments of $138,889 plus interest from January 2007, maturing in January 2010. A moveable hypothec over the universality of the company's present and future tangible and intangible assets has been given as security for this loan	5,000,000	-
Convertible debenture secured by a junior moveable hypothec over all assets owned by a subsidiary, bearing interest at 9%, payable in semi-annual principal instalments of $75,000 plus interest, maturing in October 2011 *	750,000	750,000
Bank loans for which moveable hypothecs over automotive equipment have been given as security, 6.98% and nil, payable in monthly instalments of $488, including principal and interest, and in principal instalments of $716 plus interest, maturing in February 2010 and December 2007, respectively	30,704	28,376
Loan granted by Canada Economic Development under the Innovation, Development of Entrepreneurship and Access Program for SME, non-interest bearing, payable in four annual instalments of $38,500, maturing in January 2010. Instalments will begin in January 2007	154,000	-
Reimbursed during the period	-	7,450,000
	20,459,704	8,228,376
Less: Current portion	3,160,532	2,651,440
	17,299,172	5,576,936

* A sum of $150,000 out of that debenture was converted at the end of the current quarter. (See note 10 on the subsequent event). Accordingly, an amount equivalent to this sum will be transferred to shareholders' equity in the next quarter.

The annual principal instalments due on long-term debt over the next five twelve-month periods are as follows:

	$
2007	3,160,532
2008	3,925,300
2009	3,922,090
2010	2,947,782
2011	2,250,000

6 Shareholders' equity

Share capital

Authorized

Unlimited number of common shares, without par value, voting and participating

Unlimited number of preferred shares with rights and restrictions fixed by the Board of Directors upon issuance

Issued

	Three Months Ended July 31, 2006		Twelve Months Ended April 30, 2006	
	Number	**Amount $**	**Number**	**Amount $**
Balance – Beginning of period	21,969,017	1,790,195	16,250,000	668,196
Issuance of common shares:				
For cash consideration	9,999,967	4,743,860	1,437,500	575,000
Following the conversion of debentures	1,681,079	1,010,233	1,064,900	574,849
Reverse takeover	-	-	3,112,855	-
Following the exercise of stock options	100,000	49,084	103,762	20,752
Share issue expenses	-	(815,924)	-	(48,602)
Balance – End of period	33,750,063	6,777,448	21,969,017	1,790,195

On May 15, 2006, the company issued 9,999,967 units at a price of $0.60 per unit. The gross proceeds from the private placement amount to $6,000,000. Of this amount, a sum of $1,040,088 (net of issue expenses of $216,052) has been allocated to warrants using the Black-Scholes model. Each unit consists of one common share and one-half warrant. Each whole warrant entitles the holder to acquire one common share at a price of $0.85 per share at any time. The underwriters obtained a monetary consideration equivalent to 8% of the gross proceeds from the placement and an additional compensation in warrants entitling for the purchase of 797,332 warrants at a price of $0.60 per warrant until November 15, 2007. An amount of $292,107 has been allocated to these warrants using the Black-Scholes model. The net proceeds from the private placement were used to repay the debts contracted upon the acquisition of Faroex on March 15, 2006.

On May 15, 2006, the company issued 416,667 warrants to a former holder of a convertible debenture entitling the latter to purchase warrants at a price of $0.85 per warrant until November 15, 2007. This option results from the acquisition of a convertible debenture on March 15, 2006, which had been reflected in shareholders' equity and converted into shares on April 28, 2006. A sum of $45,000 has been allocated to these warrants using the Black-Scholes model.

Warrants

The following table presents information about warrants outstanding and exercisable for the three-month period ended July 31, 2006:

	Number	**Carrying value $**	**Weighted average exercise price $**
Outstanding and exercisable – Beginning of period	818,750	-	0.71
Granted	6,213,990	1,593,246	0.82
Issue expenses	-	(216,052)	-
Outstanding and exercisable – End of period	7,032,740	1,377,194	0.81

The following table summarizes certain information about warrants outstanding and exercisable as at July 31, 2006:

	Warrants outstanding and exercisable	
Exercise price	**Number**	**Weighted average remaining contractual life (years)**
$0.40	100,000	0.68
$0.60	797,332	1.29
$0.75	718,750	0.68
$0.85	5,416,658	1.29
	7,032,740	1.22

For the three-month period ended July 31, 2006, the fair value of warrants was estimated using the Black-Scholes model with the following assumptions:

Risk-free interest rate	4.08%
Expected volatility	57%
Dividend yield	0%
Expected weighted average life of each warrant granted	18 months
Weighted average fair value of each warrant granted	$0.256

Stock options

On May 1, 2006, the company granted 150,000 stock options at an exercise price of $0.60. These stock options will generate aggregate stock-based compensation costs of $80,704 over their vesting period. Those costs will be amortized on a straight-line basis over their vesting period of three years.

For the three-month period ended July 31, 2006, the fair value of stock options granted was estimated using the Black-Scholes options pricing model with the following assumptions:

Risk-free interest rate	4.28%
Expected volatility	70%
Dividend yield	0%
Expected weighted average life of each option granted	3 years
Weighted average fair value of each option granted	$0.538

The following table presents information about stock options outstanding for the three-month period ended July 31, 2006:

	Number	Carrying value $	Weighted average exercise price $
Outstanding – Beginning of period	1,825,000	176,285	0.40
Granted	150,000	-	0.60
Exercised	(100,000)	(9,084)	0.40
Compensation costs for the period	-	85,457	-
Outstanding – End of period	1,875,000	252,658	0.42

The following table summarizes information about outstanding and exercisable stock options as at July 31, 2006:

	Options outstanding		Options exercisable	
Exercise price	**Number**	**Weighted average remaining contractual life (years)**	**Number**	**Weighted average remaining contractual life (years)**
$0.40	1,725,000	3.75	775,000	3.75
$0.60	150,000	2.75	50,000	2.75
	1,875,000		825,000	

7 Statements of cash flows

(a) Change in non-cash working capital items

	Three Months Ended July 31,	
	2006 **$**	**2005** **$**
Accounts receivable	(124,990)	(228,127)
Inventories	(150,705)	(2,133,527)
Prepaid expenses	139,847	(230,013)
Accounts payable and accrued liabilities	(1,898,949)	1,775,070
Deferred revenues	31,860	-
Income taxes	171,660	(126,876)
	(1,831,277)	(943,473)

(b) Items not affecting cash related to financing and investing activities

	Three Months Ended July 31,	
	2006 **$**	**2005** **$**
Conversion of a debenture into shareholders' equity	1,000,000	-
Issuance of warrants in settlement of issue expenses	292,107	-
Issuance of common shares in settlement of accounts payable	10,233	-

(c) Additional information

	Three Months Ended July 31,	
	2006 **$**	**2005** **$**
Interest paid	222,157	48,025
Income taxes paid	124,670	126,876

8 Earnings per share

The following table summarizes the basic and potentially dilutive weighted average number of common shares outstanding used in the basic and diluted net earnings per share calculations:

	Three Months Ended July 31,	
	2006	**2005**
Basic weighted average number of shares outstanding	31,970,662	16,250,000
Diluted weighted average number of shares outstanding	35,746,795	16,250,000

For the three-month period ended July 31, 2005, the potentially dilutive weighted average number of shares outstanding was the same as the basic weighted average number of shares outstanding since there were no dilutive elements. Accordingly, the diluted net loss per share for the three-month period ended July 31, 2005 was calculated using the basic weighted average number of shares outstanding.

9 Segment information

The company is organized under four operating segments. All of the long-lived assets are located in Canada.

	Three Months Ended July 31,	
	2006 **$**	**2005** **$**
Sales by operating segment		
Transportation	7,182,057	-
Snow removal products	1,944,779	593,753
Agriculture products	1,609,294	388,064
Light forestry products	408,493	7,627
Other	419,752	296,379
	11,564,375	1,285,823

The following sales have been allocated to geographic regions based on the country of residence of the related customers.

	Three Months Ended July 31,	
	2006 **$**	**2005** **$**
Sales by geographic region		
United States	7,364,190	286,200
Canada	3,506,380	973,538
Asia	285,929	-
South America	185,008	-
Australia	120,616	-
Europe	102,252	26,085
	11,564,375	1,285,823

For the three-month period ended July 31, 2006, one customer represents 44.22% of the company's total sales (nil for the same period in 2005) and 41.4% of the latter's total accounts receivable (nil as at April 30, 2006).

10 Subsequent event

On August 16, 2006, the debenture holder converted a sum of $150,000 out of the $750,000 convertible debenture into 180,462 common shares of its share capital.