



DIA BRAS EXPLORATION INC.

MANAGEMENT DISCUSSION AND ANALYSIS

**FOR THE SIX-MONTH PERIOD ENDED
JUNE 30, 2006**

MANAGEMENT DISCUSSION AND ANALYSIS

This management discussion and analysis (“MD&A”) follows rule 51-102A of Canadian Securities Administrator regarding continuous disclosure for reporting issuers. It is a complement and supplement to the unaudited consolidated financial statements for the six-month period ended June 30, 2006 and should be read in conjunction with those statements. It represents the view of management on the Company’s current activities and its past and current financial results, as well as an outlook of the coming months. Unless otherwise specified, all dollar amounts in the MD&A are expressed in Canadian dollars.

1.1 YEAR END AND DATE OF MD&A

In 2005, the Company changed its year end from March 31 to December 31 to coordinate with the statutory year end of its Mexican subsidiaries. The MD&A for the six-month period ended June 30, 2006 is as of August 28, 2006.

1.2 FORWARD LOOKING STATEMENTS:

The MD&A contains forward-looking statements that express, as at the date of thereof, the Company’s expectations, estimates and projections regarding its business, the mining industry and the economic environment in which it operates. Forward looking statements are reasonable, but involve a number of risks and uncertainties and there can be no assurance that such statements will prove to be accurate. Therefore, actual outcome and results may differ materially from those expressed in these forward looking statements and readers should not place undue reliance on such statements.

1.3 HIGHLIGHTS OF THE SECOND QUARTER 2006

- Acquisition of an entire silver district “The Cusi project” in Chihuahua Mexico
- Pilot Program at Bolivar mine meets forecasts and generates positive cash flow
- Total sales of concentrate for Q2 of \$8.9 M
- Announcement of a \$10.4 M bought deal financing agreement which closed on August 17, 2006

1.4 NATURE OF ACTIVITIES AND OVERALL PERFORMANCE:

Dia Bras Exploration Inc. (the “Company”) is a mining exploration company with rights and options on approximately 80 properties covering in excess of 15,000 hectares in the State of Chihuahua in Mexico.

During the quarter ended June 30, 2006, the Company continued its pilot mining program at the Bolivar mine property. The program provides essential data on mining, transport and milling costs, logistics, mineralization rock grade, mill recovery performance and metallurgy, which will be useful for pre-feasibility and feasibility studies at the Bolivar mine property. The short term objective of the pilot mining program is to generate sufficient cash flow from the production of zinc and copper concentrates to finance the development and exploration program at the Bolivar mine and elsewhere in the Bolivar project. The pilot program started generating positive cash-flow in December 2005 and continued throughout the first six months of 2006.

Well supported by high market prices for zinc and copper, the Company completed another very productive quarter at its Bolivar mine exploration project.

It is important to note that the Bolivar mine property is not at a commercial production stage. The completion of a feasibility study is required to confirm the economic viability of a property before a property is brought into commercial production. The Company believes that it will take approximately 30 months before the Bolivar mine property reaches the commercial production stage but there is no assurance that the Bolivar mine will ever reach the commercial production stage. The pilot mining program will end with the completion of the feasibility study. Until the Company reaches the commercial production stage, the income generated by the

pilot mining program is shown as a reduction of the costs and deferred expenses capitalized to the Bolivar mine project in conformity with Canadian generally accepted accounting principles.

During the quarter ended June 30, 2006, the Company processed 22,584 dry metric tons (DMT) of mineralized material averaging grades of 11.17% Zn and 2.19% Cu. These results are consistent with the Company's forecast of 22,500 DMT grading 11.00% Zn and 2.5% Cu.

During the quarter the Company announced the acquisition of an entire exploration district "The Cusi project" through private agreements and staking of land. The land acquired is situated in an important mining district of Mexico and includes 12 former mines that historically produced high grade silver but were never explored nor mined with modern techniques. The Company also signed an agreement to outsource its drilling activities with Canmex Diamond Drill S.A. de C.V. which would however use the Company's own drilling equipment. The agreement is for 25,000 meters at a cost of US\$92.50 per meter.

Bolivar mine property

The Bolivar property remains the main exploration target in the Cieneguita region. During the quarter ended June 30, 2006, property costs and exploration and development expenses on the Bolivar property amounted to approximately \$4.0 million.

Pilot Mining activities and development during this quarter occurred mainly on Level 1 of the Bolivar mine in the Brecha Linda zone, a zone of high-grade zinc and copper mineralization first accessed in late 2005. Some lower grade development rock was included in the mill feed as the Company took advantage of high metal prices to develop more working faces in the Brecha Linda and a ramp to Level 2 to access the down-dip extension of the Brecha Linda.

A total of 4,016 DMT of zinc concentrate and 1,413 DMT of copper concentrate was produced from the 22,584 DMT processed. The value of total concentrate production based on average monthly zinc and copper prices is estimated at **US \$7.0 million**, which exceeds the early 2006 forecast of US \$4.0 million. In June 2006, copper recovery increased to 85.48% from 73.97% in April and 81.81% in May. The Malpaso mill averaged recoveries of 91.87% for zinc and 80.60% for copper.

Bolivar Mine Pilot Program Summary - Q2 -2006

Ore Processed			Tonnes	Total Estimated Production US \$ (Millions)	Estimated Operating Cost US \$ (Millions)
Actual			22,584	7.0	2.4
Forecast			22,500	4.0	2.5
Over (under)			84	3.0	(0.1)
Zinc	Average Grade	Recovery	Zn Concentrate Production (DMT)	Production Value in US \$ (Millions)	
Actual	11.17%	91.87%	4,016	4.5	
Forecast	11.00%	85.00%	3,700	2.6	
Over (under)	0.17%	6.87%	316	1.9	
Copper	Average Grade	Recovery	Cu Concentrate Production (DMT)	Production Value in US \$ (Millions)	
Actual	2.19%	80.60%	1,413	2.5	
Forecast	2.50%	75.00%	1,600	1.4	
Over (under)	(0.31%)	5.60%	(187)	1.1	

Price / lb	Zinc	Copper
Actual average - second quarter	US\$1.39	US\$3.25
Forecast	US\$0.80	US\$2.00

**Bolivar Pilot Mining Program
Financial Results (in US \$)
Q2 and year to date**

	Actual			Total revised forecast
	Q2-2006	Q1-2006	Total six month 2006	2006 ⁽²⁾
Concentrate production value	7.0 M	5.3 M	12.3 M	22.0 M
Direct operating cash costs	2.4 M	2.4 M	4.8 M	10.0 M
Direct operating cash margin	4.6 M	2.9 M	7.5 M	12.0 M

Revenues and Cash Operating Costs / Tonne Processed (in US \$)

	Actual		Total revised forecast
	Q2-2006	Q1-2006	2006 ⁽²⁾
Net smelter revenues (1)	302.25	234.70	244.44
Direct operating cash costs (1)	102.43	104.60	105.00
Gross margin before amortization (1)	199.82	130.10	139.44

(1) Non-GAAP measures: The Company reports production value, production costs, net smelter revenue per tonne, direct operating cash costs per tonne and gross margin before amortization per tonne even if it is a non-GAAP measure to inform about the approximate value of the quarter sales, isolate the measure of pilot-mining direct operation costs activities less amortization and depreciation. The Company believes this is useful supplemental information however it should not be considered as a substitute for measure of performance prepared in accordance with GAAP.

(2) Includes assumptions of US\$2.00/lb for Copper and US\$0.85/lb for zinc

Another ramp has been driven from Level 6 towards Level 7 with the objective of reaching the chimney-like high-grade Rosario 1, 2 and 3 and Rodolfo Zn-Cu zones approximately 20 meters below Level 6. Dia Bras has already mined these zones above Level 6. Another 50 meters of ramp is required to reach Level 7 and the first Rosario zone, and should be completed in the third quarter. These zones continue deeper, as seen in holes 159 and 168, which intersected the down-dip extensions of Rosario 2 and 3. Samples from holes 159 and 168 were assayed by Chemex and results were disclosed in a press release dated July 5th 2006.

Hole	From	To	Length	% Cu	% Zn	g/t Au	g/t Ag	Zone
DB06B159*	86.0	94.0	8.0	0.29	12.41	0.10	6.75	Rosario 2
DB06B159*	108.3	111.3	3.0	1.17	25.20	0.43	46.67	Rosario 3
DB06B168*	83.0	87.5	4.5	2.57	4.76	0.20	112.50	Rosario 2
DB06B168*	91.0	93.0	2.0	0.66	14.90	0.05	13.10	Rosario 2
DB06B168*	95.0	97.0	2.0	0.37	6.77	0.04	9.80	Rosario 3
DB06B168*	126.5	131.0	4.5	1.24	2.13	0.06	24.40	Rosario 3
DB06B168*	134.0	144.5	10.5	0.20	7.84	0.03	5.23	Rosario 3
DB06B168*	153.5	161.0	7.5	0.83	2.56	0.02	16.64	Cu-Fe manto

While driving the ramp past Level 6.5 (1,960-meter elevation), a new zone of massive sulfide mineralized rock was encountered, which is 25 meters in length and varies in width from 3 to 5 meters. A raise being developed in this new zone has passed through 8 meters vertically and is still in the mineralized rock. Assay results for three channel samples taken over 2-meter widths are also disclosed in the July 5th pres release. These samples were assayed using the AA method at the Company's laboratory at the Malpaso mill.

Malpaso Mill

The Malpaso mill is running smoothly and additions to the plant are in process to increase its processing capacity to 600 tpd by the end of 2006. This increase in capacity will allow a bulk sampling program from the Cusi project.

Cusi Project

The Cusi project is the subject of an on-going exploration program initiated during the quarter, consisting of regional and detailed surface geologic, structural and alteration mapping, diamond core drilling from the surface, detailed mapping, sampling and dewatering of underground workings, and airborne photography directed at producing orthophoto maps and detailed topographic maps. Dia Bras has mandated Scott Wilson Roscoe Postle Associates Inc. (formerly Roscoe Postle Associates Inc.) ("RPA") to complete by the end of 2006 an independent 43-101 technical report that may justify a bulk sampling program or pilot-mining on the Cusi project.

Promontorio Property

During the quarter the Company completed a six-hole drilling campaign, as part of the exploration program recommended by Roscoe Postle Associates in their 43-101 Report dated February 2005 for which results are still pending. During the quarter the Company has made the US\$100,000 payment pursuant to the property option agreement. With the recent acquisition of the Cusi district, no additional work on site on Promontorio is planned for 2006.

1.5 SELECTED ANNUAL INFORMATION:

	Nine-month period ended December 31,	Year ended March 31	
	2005 \$	2005 \$	2004 \$
Sales of concentrate i)	5,562,402	-	-
Write-off of mining assets	557,588	481,706	-
Loss	2,096,165	2,095,804	1,176,702
Loss per share	0.04	0.05	0.05
Total assets	25,420,216	20,668,572	11,910,623
Working capital	4,271,832	3,649,779	8,139,983
Cash and cash equivalents	3,541,961	2,954,870	4,707,091

- i) In accordance with its accounting policy, revenue from the sales of concentrate produced from the pilot-mining before commencement of commercial production is recorded as a reduction of deferred exploration expenses, and therefore does not appear in the Consolidated Statements of Operations and Deficit.

1.6 RESULTS OF OPERATIONS

Corporate

During the three-month period ended June 30, 2006, the Company incurred a loss of \$709,539 (<\$0.01 per share) (cumulative loss of \$1,089,406 for the six-month period ended June 30th, 2006 (\$0.02 per share)) compared to a loss of \$337,432 (\$0.01 per share) for the three-month period ended June 30, 2005 (cumulative loss of \$833,888 for the six-month period ended June 30th, 2005 (\$0.02 per share)).

The loss includes a loss on currency exchange of \$273,216 on monetary assets, due to decrease value of the Mexican pesos versus the Canadian dollar. The loss also includes stock-based compensation non cash cost of \$82,047 for the quarter. This cost relates to the accounting of options vested during the period (\$54,474 for the same period in 2005).

Since the beginning of 2006, the Company has been very active in promoting its activities and meeting with financial institutions in Toronto, Calgary, Vancouver and Montréal and plans to pursue the promotion activities throughout the year. Total business development expenses amounted to \$85,904 during the quarter compared to \$23,042 in 2005.

Administrative expenses also increased compared to the same period in 2005 as the Company increased the number of its full time employees in Q3-2005. A capital tax expenditure of \$33,918 was also recorded in the quarter (nil in 2005).

Results of the pilot-mining program at Bolivar

During the quarter ended June 30, 2006, the pilot program completed its second consecutive quarter of positive operating cash flow. Total sales of concentrate (including provision for final billings) amounted to \$8,909,693 (cumulative \$15,038,974 for the six-month period ended June 30,2005) (\$1,199,523 for the quarter and six month period ended June 30,2005). This amount exceeded forecast as zinc and copper prices continued to rise during the period. Total direct operating cash costs for the quarter amounted to \$2.4 M (see note (1) of Section 1.4). Cash flow from pilot mining was used in the exploration and development of the property. All concentrates produced were delivered and sold to MRI Trading AG pursuant to a standard concentrate purchase agreement. 90% of the shipment value is billed at the date of the shipment and the remaining 10% is billed later at the confirmed quotation date. Payments are normally received within 48 hours after billing.

1.7 SUMMARY OF QUARTERLY RESULTS :

Quarter ended	Loss \$	Loss per share \$
June 30, 2006	709,539	0.01
March 31, 2006	379,867	0.01
December 31, 2005	1,287,232	0.02
September 30, 2005	471,501	0.01
June 30, 2005	337,432	0.01
March 31, 2005	496,456	0.01
December 31, 2004	1,201,814	0.02
September 30, 2004	254,940	0.01

1.8 LIQUIDITY:

As at June 30, 2006, the Company has a working capital of \$6,782,847 including \$4,471,714 in cash and cash equivalent compared to \$4,271,832 as at December 31, 2005, including \$3,541,961 in cash and cash equivalent. This level of working capital is adequate to support current level of operations. The working capital and cash improvement during the quarter is due to the Bolivar pilot mining program results.

As at June 30, 2006, sales tax and other receivables amount to \$2,187,875 (\$1,037,122 as at December 31, 2005) and are mostly comprised of Mexican recoverable input tax credit. The Company is still facing delays in recovering the IVA (local sales tax) and with increasing activities monthly recovery filings increase in value. The Company is regularly monitoring with local Mexican IRL authorities with whom we have met on several occasions during the quarter to follow-up on new specific audit requests.

Receivable of \$1,280,000 (\$327,000 as at December 31, 2005) represents a provision for future final billings of shipped concentrate.

Accounts payable and accrued liabilities amount to \$1,214,906 (\$749,676 as at December 31, 2005) and are comprised of current usual business transactions balances

Obligation related to assets under capital lease amounting to \$318,066 (including a current portion of \$137,075) (\$228,851 including a current portion of \$90,904 as at December 31, 2005) relates to rolling stock acquired and financed over periods of up to 36 months.

1.9 CAPITAL RESOURCES, INVESTING AND FINANCING ACTIVITIES:

The availability of funds is highly dependent on the capital markets. The main sources of financing of the Company are the issuance of equity shares and the sale of concentrates. During the quarter, the Company did not complete any private placement.

No options nor warrants were exercised during the quarter. Subsequent to the end of the quarter, the Company completed a \$10.4 million bought deal financing which will serve to finance the acquisition of the Cusi project, the continuing exploration program on Bolivar and for working capital purpose.

1.10 FINANCIAL COMMITMENTS:

The Company's financial commitments are as follows:

- A five-year lease signed jointly with two other companies in February 2004, at an annual rent of \$150,000. The rent is prorated between the three companies on the basis of the space used.
- In order to exercise its various options on the mining properties, the Company will have to make the following payments:

YEAR	AMOUNT
2006	US\$707,500
2007	US\$2,325,000
2008	US\$2,450,000
2009	US\$3,062,500

1.11 OFF-BALANCE:

The Company did not enter into any off balance sheet arrangement.

1.12 RELATED PARTY TRANSACTIONS:

During the period, the Company paid for services provided by companies controlled by officers of the Company. Those services relating to project management and corporate activities are essential to the Company and are recorded at their exchange value.

1.13 CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION:

There were no changes in accounting policies

1.14 CRITICAL ACCOUNTING POLICIES:

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Significant areas where management judgment is applied are asset valuations, contingent liabilities and future income taxes. Actual results could differ from those estimates and such differences could be material.

Mining assets:

Mining assets include mining rights and options to acquire interests in mining properties, deferred exploration expenses, exploration building and equipment, supply inventories that will be used for exploration, and deposits on future mining assets. All costs directly related to projects are capitalized. Exploration expenses are deferred until the economic viability of the project has been established, at which time the expenses are added to mining properties, plant and equipment. Costs are written off when properties are abandoned or when cost recovery is uncertain. Management has defined uncertainty as either there being no financial resources available for development over a period of three consecutive years or results from exploration work not warranting further investment.

Proceeds from the sale of a mining asset are applied against related carrying costs and any excess is reflected as a gain in the statement of operations. In the case of a partial sale, if carrying costs exceed the proceeds, only the loss is reflected.

Revenue from the sale of concentrate from the pilot mining program before commercial production is recorded as a reduction of the related deferred exploration expenses and is recognized when the following conditions are met:

- Persuasive evidence of an arrangement exists;
- Delivery has occurred under the terms of the arrangement;
- The price is fixed or determinable; and
- Collection is reasonably assured.

The Company expects commercial production on the Bolivar project to commence no later than 2009 year end. Commercial production has been defined as being the stage where the Company had reached a production level of 65% for a consecutive period of 90 days with a maximum time period of six months. The production level will be calculated on the rated capacity of a mill on mine site which can process approximately 2,000 tonnes per day. The development of the mine and the construction of the mill on mine site are planned to start in mid - 2008 after reception of a bankable feasibility study to be commissioned in early 2007.

This represents a critical accounting policy as it will impact on the presentation of revenues and expenses from mining activities, which are currently recorded as a reduction of the deferred exploration expenses instead of being included in the determination of net income.

The inventory from pilot mining is recorded at the lower of cost and net realizable value.

Asset retirement obligations

Asset retirement obligations are recognized at fair value in the period in which the Company incurs a legal obligation associated to the retirement of an asset. The associated costs are capitalized as part of the carrying value of the related asset and amortized over its remaining useful life. The liability is accreted using a credit-adjusted risk-free interest rate.

This represents a critical accounting policy as the Company has not recognised any asset retirement obligation as it does not have sufficient information to determine a realistic obligation maturity schedule. A liability stemming from any asset retirement obligation will be recorded in the period in which there is sufficient information to establish an obligation maturity schedule.

1.15 FINANCIAL INSTRUMENTS AND OTHER:

The Company does not use financial or other instruments.

1.16 RISK AND UNCERTAINTIES:

Business risk:

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. All the Company's mining properties are in the exploration stage. There is no assurance that the Company's exploration programs will result in any discoveries of commercial ore bodies. The Company has numerous competitors with greater financial, technical and other resources.

Land title:

The Company has taken reasonable measures in accordance with industry standards for properties at that stage of exploration to ensure proper title to its properties. However, there is no guarantee that title to any of its properties will not be challenged or impugned. The Company's properties may be subject to prior unregistered agreements or transfers and title may be affected, amongst other things, by undetected defects.

Capital needs:

The exploration, development, mining and processing of the Company's properties will require substantial additional financing. The only current sources of future funds available to the Company are the sale of additional equity capital, the borrowings of funds and the sale of concentrate. There is no assurance that such funding will be available to the Company or that it will be obtained on terms favorable to the Company or will provide the Company with sufficient funds to meet its objectives, which may adversely affect the Company's business and financial position. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development or production on any or all of the Company's properties or even a loss of property interest.

Regulation and Environmental Requirements:

The activities of the Company require permits from various governmental authorities and are governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, environmental protection and other matters. Increased costs and delays may result from the need to comply with applicable laws and regulations. If the Company is unable to obtain or renew licenses, approvals and permits, it may be curtailed or prohibited from proceeding with exploration or development activities.

Commodity prices:

The market price of base and precious metals is also a factor of risk that can have a direct impact on the success of the Company operations. The market price of the Company's common shares, its financial results and its exploration, development and mining activities may be significantly adversely affected by declines in the price of precious or base minerals.

Uninsured Risks:

The Company's business is subject to a number of risks and hazards, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Foreign exchange rate risk:

The Company is operating in a foreign country and with foreign currencies and is therefore subject to exchange rate risk. It buys its currencies based on its exploration budget.

Credit risk:

The Company is exposed to credit risk to the extent that its debtors may be unable to repay amounts owing to the Company. The totality of the Company receivable is with a sole client and is subject to normal credit risks. The totality of sales tax receivable is with the Government of Mexico and as such management believe it does not represent a significant credit risk.

Interest rate risk:

The Company's receivable, tax and other receivables and accounts payable and accrued liabilities are non-interest bearing. The cash and cash equivalents bear interest at variable rates. The short term deposit and the obligation related to assets under capital lease bear interest at a fixed rate.

1.17 OUTLOOK :

With the completion of the \$10.4 million bought deal financing in August 2006, the Company is well funded to continue developing its strategic assets and take advantage of the strong base metal market.

The Company is working to increase the mill capacity at Malpaso to 600 tpd before the end of 2006 which could then allow for a bulk sampling program to be undertaken at Cusi, if warranted. The Company will continue its systematic exploration program at Cusi which includes compilation, surface and underground geological mapping, geochemical sampling and drilling. Drilling activities will also continue on the Bolivar project.

As at August 28, 2006, the Company has a working capital of approximately \$13.5 million which is sufficient, in the present conditions, to carry its exploration activities and fulfill its property obligations and working capital needs for the coming year.

The objectives for 2006 are as follows:

- Bolivar Pilot mining program - Mine and process between 85,000 and 90,000 tonnes of ore averaging 11.0% Zn and 2.5% Cu.
- Increase the Malpaso Mill capacity to 600 tpd by the end of 2006
- Define sufficient resources at Bolivar to commission a feasibility study that will give us the parameters for eventual full-scale production, including construction of an appropriately sized mill on site.
- Evaluate, define, plan and start-up exploration program at the newly acquired Cusi camp
- Analyse results from the Promontorio drilling campaign and evaluate the next step in developing the property potential with internal financial and technical resources, or through joint ventures or partnership.

1.18 OTHER REQUIREMENTS IN THE MANAGEMENT DISCUSSION AND ANALYSIS:

(a) Additional information is available on SEDAR at www.sedar.com and on the Company's Website at www.diabras.com.

(b) (i) NATIONAL INSTRUMENT 51-102 – SECTION 5.3

Analysis of cost and deferred exploration expenses*

	Six-month period Ended June 30, 2006 \$	Nine-month period ended December 31, 2005 \$
Balance at beginning of period	13,537,347	10,197,775
Property acquisition and related costs	1,536,268	451,263
Sampling	141,809	179,671
Geology consulting and management	540,454	660,598
Geophysical survey	6,915	27,927
Drilling and mining development	1,883,526	1,352,627
Pilot milling	1,292,010	1,570,210
Supervision and local administrative costs	493,554	1,056,287
Transportation	3,007,111	2,530,748
Roads	1,274	41,725
Camp costs and food	618,701	550,053
Capitalized amortization of exploration building and equipment	564,129	833,442
Stock compensation costs	307,940	205,011
	10,393,691	9,459,562
Write-off of mining assets	-	(557,588)
Sale of concentrate	(15,038,974)	(5,562,402)
	(4,645,283)	3,339,572
Balance at end of the period	8,892,064	13,537,347

* The majority of the above costs other than property costs have been incurred on the Bolivar mine.

(ii) National instrument 51-102 – Section 5.4

Disclosure of Outstanding Securities as at August 28, 2006

Common shares: 97,997,686

Warrants: (each warrant entitles the holder to purchase one common share of the Company at the exercise price indicated until expiry date): 12,002,068

Number of warrants	Exercise price	Expiry date
12,002,068	\$0.90	November 2006

Compensation options: (Each compensation option entitling its holder to purchase one common share of the Company at the price of \$1.00 until August 17, 2007): 1,046,500

Options outstanding: 7,132,333

Number of options	Exercise price	Expiry date
855,000	\$0.85	October 2008
40,000	\$1.30	January 2009
1,217,000	\$0.75	August 2009
500,000	\$0.75	February 2010
1,695,333	\$0.30	September 2010
125,000	\$0.22	September 2010
2,700,000	\$0.40	February 2011

Corporate Information

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TSX Venture Exchange TSX
Symbol : DIB

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