

Form 52-109F2 Certification of Interim Filings

I, Arthur Lang, Chief Financial Officer of Golden Arrow Resources Corp., certify that:

1. I have reviewed the interim filings (as this term is defined in Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings) of Golden Arrow Resources Corp. (the issuer) for the interim period ending June 30, 2005;
2. Based on my knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings;
3. Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings;
4. The issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the issuer, and we have:
 - (a) designed such disclosure controls and procedures, or caused them to be designed under our supervision, to provide reasonable assurance that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the interim filings are being prepared; and
 - (b) designed such internal control over financial reporting, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP; and
5. I have caused the issuer to disclose in the interim MD&A any change in the issuer's internal control over financial reporting that occurred during the issuer's most recent interim period that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting.

Date: August 26, 2005

"Arthur Lang"
Arthur Lang,
Chief Financial Officer

Form 52-109F2 Certification of Interim Filings

I, Joseph Grosso, Chief Executive Officer of Golden Arrow Resources Corp., certify that:

1. I have reviewed the interim filings (as this term is defined in Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings) of Golden Arrow Resources Corp. (the issuer) for the interim period ending June 30, 2005;
2. Based on my knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings;
3. Based on my knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the issuer, as of the date and for the periods presented in the interim filings;
4. The issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the issuer, and we have:
 - (a) designed such disclosure controls and procedures, or caused them to be designed under our supervision, to provide reasonable assurance that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the interim filings are being prepared; and
 - (b) designed such internal control over financial reporting, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP; and
5. I have caused the issuer to disclose in the interim MD&A any change in the issuer's internal control over financial reporting that occurred during the issuer's most recent interim period that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting.

Date: August 26, 2005

"Joseph Grosso"

Joseph Grosso,
Chief Executive Officer

GOLDEN ARROW RESOURCES CORPORATION

(An Exploration Stage Company)

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED

JUNE 30, 2005 and 2004

(Unaudited - Prepared by Management)

**MANAGEMENT'S COMMENTS ON UNAUDITED
INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

The accompanying unaudited interim consolidated financial statements of Golden Arrow Resources Corporation for the six months ended June 30, 2005 have been prepared by management and are the responsibility of the Company's management. These statements have not been reviewed by the Company's external auditors.

GOLDEN ARROW RESOURCES CORPORATION
(An Exploration Stage Company)
INTERIM CONSOLIDATED BALANCE SHEETS
(Unaudited - Prepared by Management)

	June 30, 2005	December 31, 2004
	\$	\$
A S S E T S		
CURRENT ASSETS		
Cash and cash equivalents	2,308,481	2,590,269
Amounts receivable and prepaids	117,993	44,546
Marketable securities (Note 4)	<u>605,715</u>	<u>575,340</u>
	3,032,189	3,210,155
EQUIPMENT (Note 5)	13,880	3,116
MINERAL PROPERTIES AND DEFERRED COSTS (Note 6)	<u>7,211,986</u>	<u>7,084,507</u>
	<u><u>10,258,055</u></u>	<u><u>10,297,778</u></u>
L I A B I L I T I E S		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	95,057	42,959
FUTURE INCOME TAX LIABILITY (Note 9)	<u>1,119,789</u>	<u>1,114,599</u>
	<u>1,214,846</u>	<u>1,157,558</u>
S H A R E H O L D E R S ' E Q U I T Y		
SHARE CAPITAL (Note 7)	2,000,028	1,854,161
CONTRIBUTED SURPLUS (Notes 1 and 7)	11,868,925	11,868,925
DEFICIT (Note 1)	<u>(4,825,744)</u>	<u>(4,582,866)</u>
	<u>9,043,209</u>	<u>9,140,220</u>
	<u><u>10,258,055</u></u>	<u><u>10,297,778</u></u>

APPROVED BY THE BOARD OF DIRECTORS

“Joseph Grosso”, Director

“Arthur Lang”, Director

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

GOLDEN ARROW RESOURCES CORPORATION

(An Exploration Stage Company)

INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

(Unaudited - Prepared by Management)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2005 \$	2004 \$	2005 \$	2004 \$
EXPENSES				
Administrative and management services	1,439	24,798	1,854	47,542
Corporate development and investor relations	11,550	40,498	15,050	71,041
General exploration	71,118	-	99,231	-
Office and sundry	7,666	8,353	16,332	14,298
Printing	1,617	4,901	2,691	10,498
Professional fees	13,028	23,778	26,904	75,516
Rent, parking and storage	8,536	11,874	16,938	20,768
Salaries and employee benefits	42,036	26,568	84,072	70,678
Telephone and utilities	6,917	4,017	9,884	7,250
Transfer agent and regulatory fees	13,833	-	18,471	-
Travel and accommodation	447	28,448	447	39,045
Cost recoveries	-	(9,870)	-	(17,119)
	<u>178,187</u>	<u>163,365</u>	<u>291,874</u>	<u>339,517</u>
LOSS BEFORE OTHER ITEMS	<u>(178,187)</u>	<u>(163,365)</u>	<u>(291,874)</u>	<u>(339,517)</u>
OTHER EXPENSE (INCOME)				
Provision on marketable securities	-	336,325	-	336,325
Foreign exchange loss (gain)	32,968	(27,601)	12,599	(52,926)
Gain on options and disposition of mineral properties	(40,000)	(134,591)	(40,000)	(433,960)
Loss (gain) on disposition of marketable securities	-	17,755	(289)	(57,724)
Interest and other income	(10,205)	-	(21,306)	-
	<u>(17,237)</u>	<u>191,888</u>	<u>(48,996)</u>	<u>(208,285)</u>
LOSS FOR THE PERIOD	<u>(160,950)</u>	<u>(355,253)</u>	<u>(242,878)</u>	<u>(131,232)</u>
DEFICIT - BEGINNING OF PERIOD	<u>(4,664,794)</u>	<u>(4,052,657)</u>	<u>(4,582,866)</u>	<u>(4,276,678)</u>
DEFICIT - END OF PERIOD	<u>(4,825,744)</u>	<u>(4,407,910)</u>	<u>(4,825,744)</u>	<u>(4,407,910)</u>
BASIC AND DILUTED LOSS PER COMMON SHARE				
	<u>\$(0.02)</u>	<u>\$(0.09)</u>	<u>\$(0.03)</u>	<u>\$(0.03)</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING				
	<u>7,790,267</u>	<u>4,144,837</u>	<u>7,735,910</u>	<u>4,144,837</u>

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

GOLDEN ARROW RESOURCES CORPORATION
(An Exploration Stage Company)
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited - Prepared by Management)

	<u>Three Months Ended</u> <u>June 30,</u>		<u>Six Months Ended</u> <u>June 30,</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	\$	\$	\$	\$
CASH PROVIDED FROM (USED FOR)				
OPERATING ACTIVITIES				
Net loss for the period	(160,950)	(355,253)	(242,878)	(131,232)
Items not affecting cash				
Gain on options and disposition of mineral properties	(40,000)	(134,591)	(40,000)	(433,960)
Write-down of marketable securities	-	336,325	-	336,325
Loss (gain) on sale of marketable securities	-	17,755	(289)	(57,724)
	<u>(200,950)</u>	<u>(135,764)</u>	<u>(283,167)</u>	<u>(286,591)</u>
Changes in non-cash working capital balances	70,762	1,497	(15,916)	2,963
	<u>(130,188)</u>	<u>(134,267)</u>	<u>(299,083)</u>	<u>(283,628)</u>
INVESTING ACTIVITIES				
Expenditures on mineral properties and deferred costs	(87,622)	(77,105)	(127,479)	(137,849)
Purchase of equipment	(11,007)	-	(11,007)	-
Net proceeds on sale of marketable securities	-	(11,474)	9,914	145,019
	<u>(98,629)</u>	<u>(88,579)</u>	<u>(128,572)</u>	<u>7,170</u>
FINANCING ACTIVITIES				
Issuance of common shares	-	-	145,867	-
Allocation of IMA equity	-	222,846	-	276,458
	<u>-</u>	<u>222,846</u>	<u>145,867</u>	<u>276,458</u>
DECREASE IN CASH AND CASH EQUIVALENTS	(228,817)	-	(281,788)	-
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	<u>2,537,298</u>	<u>31,908</u>	<u>2,590,269</u>	<u>31,908</u>
CASH AND CASH EQUIVALENTS - END OF PERIOD	<u><u>2,308,481</u></u>	<u><u>31,908</u></u>	<u><u>2,308,481</u></u>	<u><u>31,908</u></u>
CASH AND CASH EQUIVALENTS IS COMPRISED OF:				
Cash	1,308,481	31,908	1,308,481	31,908
Term deposit	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>
	<u><u>2,308,481</u></u>	<u><u>31,908</u></u>	<u><u>2,308,481</u></u>	<u><u>31,908</u></u>

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

GOLDEN ARROW RESOURCES CORPORATION
(An Exploration Stage Company)
CONSOLIDATED SCHEDULE OF MINERAL PROPERTIES AND DEFERRED COSTS
FOR THE SIX MONTHS ENDED JUNE 30, 2005
(Unaudited - Prepared by Management)

	<u>Argentina</u>					<u>Peru</u>	<u>Total</u>
	<u>Chubut</u>	<u>Valle de</u>	<u>NW San</u>	<u>Gualcamayo</u>	<u>Other</u>	<u>Rio</u>	
	\$	Cura	Juan	\$	\$	Tabaconas	\$
		\$	\$			\$	
Balance - beginning of period	586,197	1,686,046	28,255	152,489	581,789	4,049,731	7,084,507
Expenditures							
Assays	-	-	1,290	-	-	-	1,290
Communications	-	-	29	97	38	-	164
Office	-	-	312	714	31	1,417	2,474
Salaries and contractors	4,206	-	8,764	11,309	3,018	6,702	33,999
Supplies and equipment	341	-	1,853	1,566	77	95	3,932
Transportation	-	-	329	2,080	698	1,668	4,775
Statutory and tax	63	-	-	-	-	65,102	65,165
IVA	326	-	889	1,114	272	7,889	10,490
	<u>4,936</u>	<u>-</u>	<u>13,466</u>	<u>16,880</u>	<u>4,134</u>	<u>82,873</u>	<u>122,289</u>
Future income tax liability (Note 9)	<u>-</u>	<u>-</u>	<u>1,064</u>	<u>2,333</u>	<u>435</u>	<u>1,358</u>	<u>5,190</u>
Balance - end of period	<u><u>591,133</u></u>	<u><u>1,686,046</u></u>	<u><u>42,785</u></u>	<u><u>171,702</u></u>	<u><u>586,358</u></u>	<u><u>4,133,962</u></u>	<u><u>7,211,986</u></u>

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

GOLDEN ARROW RESOURCES CORPORATION

(An Exploration Stage Company)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2005

(Unaudited - Prepared by Management)

1. TRANSFER OF ASSETS

On July 7, 2004, IMA Exploration Inc. ("IMA") completed a corporate restructuring plan (the "Reorganization") which resulted in it transferring certain assets and liabilities to Golden Arrow Resources Corporation (the "Company"), a newly created company. The Reorganization was accomplished by way of a statutory plan of arrangement. Shareholders of the Company were issued one share of Golden Arrow Resources Corporation for every ten shares of IMA held.

On completion of the Reorganization IMA transferred to the Company:

- i) IMA's investment in its mineral properties, excluding the Navidad and Navidad Area properties, with related future income tax liabilities;
- ii) the assets and liabilities of IMPSA Resources (BVI) Inc., Inversiones Mineras Argentinas Holdings (BVI) Inc., both wholly-owned subsidiaries of IMA and IMPSA Resources Corporation, an 80.69% owned subsidiary of IMA;
- iii) certain marketable securities at their recorded values; and
- iv) cash and cash equivalents.

The aggregate value of the net assets transferred from IMA in 2004 was as follows:

	\$
Cash and cash equivalents	1,020,189
Marketable securities and other current assets and liabilities	548,841
Mineral properties and deferred cost and equipment	6,874,960
Future income tax liability	<u>(1,079,112)</u>
	<u>7,364,878</u>

Shareholders' equity has been recorded as follows:

	\$
Contributed Surplus	11,772,788
Deficit	<u>(4,407,910)</u>
	<u>7,364,878</u>

The Company's 2004 Balance Sheet includes the historic values that were transferred from IMA on July 7, 2004. The Company's Statement of Operations and Deficit for the six months ended June 30, 2004 includes an allocation of IMA's General and Administrative Expenses incurred prior to the Reorganization. The allocation was calculated on the basis of the ratio of the specific assets transferred to assets retained. Certain "Other Income and Expense" items have been reported on the basis of the nature of the income or expense. Prior to the spin-off of assets from IMA to the Company, funding provided by IMA related to the Company's activities is reflected as contributed surplus. Management cautions readers of the financial statements that the allocation of expenses does not necessarily reflect future General and Administrative expenses.

GOLDEN ARROW RESOURCES CORPORATION

(An Exploration Stage Company)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2005

(Unaudited - Prepared by Management)

2. NATURE OF OPERATIONS

The Company is in the process of exploring its mineral properties in South America and evaluating other mineral properties. The Company presently has no proven or probable reserves and on the basis of information to date, it has not yet determined whether these properties contain economically recoverable ore reserves. The amounts shown as mineral properties and deferred costs represent expenditures incurred to date, less amounts amortized and/or written off, and do not necessarily represent present or future values. The underlying value of the mineral properties and deferred costs are entirely dependent on the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain the necessary financing to complete development, and future profitable production.

The Company considers that it has adequate resources to maintain its core operations for the next fiscal year but currently does not have sufficient working capital to fund all of its planned exploration and development work. The Company will continue to rely on successfully completing additional equity financing.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim consolidated financial statements of the Company have been prepared by management in accordance with Canadian generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. The consolidated financial statements have, in management's opinion, been properly prepared using careful judgement with reasonable limits of materiality. These interim consolidated financial statements should be read in conjunction with the most recent annual consolidated financial statements. The significant accounting policies follow that of the most recently reported annual consolidated financial statements.

4. MARKETABLE SECURITIES

	June 30, 2005			December 31, 2004		
	Shares	Recorded Value \$	Fair Value \$	Shares	Recorded Value \$	Fair Value \$
Ballad Gold & Silver Ltd.	407,000	60,000	67,155	417,500	62,625	62,625
Amera Resources Corporation	959,900	412,505	403,158	859,900	372,505	584,732
Cloudbreak Resources Ltd.	800,000	109,750	80,000	850,000	116,750	127,500
Other	-	23,460	242,749	-	23,460	201,553
		<u>605,715</u>	<u>793,062</u>		<u>575,340</u>	<u>976,410</u>

The Company holds these marketable securities as a result of entering into option and sale agreements for certain of its mineral property holdings. See subsequent event note.

GOLDEN ARROW RESOURCES CORPORATION

(An Exploration Stage Company)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2005

(Unaudited - Prepared by Management)

5. EQUIPMENT

	June 30, 2005	December 31, 2004
	\$	\$
Office equipment	22,723	11,716
Less accumulated depreciation	<u>(8,843)</u>	<u>(8,600)</u>
	<u>13,880</u>	<u>3,116</u>

6. MINERAL PROPERTIES AND DEFERRED COSTS

	Acquisition Costs	June 30, 2005 Deferred Exploration Costs	Total	December 31, 2004 Total
	\$	\$	\$	\$
Argentina				
Chubut	-	591,133	591,133	586,197
Valle de Cura	447,526	1,238,520	1,686,046	1,686,046
NW San Juan	3,782	39,003	42,785	28,255
Gualcamayo	-	171,702	171,702	152,489
Other	<u>11,639</u>	<u>574,719</u>	<u>586,358</u>	<u>581,789</u>
	462,947	2,615,077	3,078,024	3,034,776
Peru				
Rio Tabaconas	<u>773,829</u>	<u>3,360,133</u>	<u>4,133,962</u>	<u>4,049,731</u>
	<u>1,236,776</u>	<u>5,975,210</u>	<u>7,211,986</u>	<u>7,084,507</u>

(a) Argentinean Properties

The Company has either staked, fully paid or holds options to acquire 100% working interests in mineral properties, located in the San Juan Province and Chubut Province of Argentina.

GOLDEN ARROW RESOURCES CORPORATION

(An Exploration Stage Company)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2005

(Unaudited - Prepared by Management)

6. MINERAL PROPERTIES AND DEFERRED COSTS (continued)

(b) Rio Tabaconas, Peru

The Company holds an option to acquire a 100% interest in three concessions, in the Cajamarca Department of San Ignacio Province in northern Peru. In addition, the Company owns ten concessions, which surround and overlie the optioned concessions. Collectively these are known as the Rio Tabaconas Project.

Under the terms of the option agreement, the Company has paid US \$185,000 and was required to make further payments of US \$1,315,000 for a total of US \$1,500,000. On June 28, 2002, the Company suspended further exploration activities at the Rio Tabaconas project. This decision was made in response to the local community expressing its concerns with mineral exploration activities. The Company has deferred any further exploration until an agreement with the local community has been finalized. As a result the Company declared force majeure, as allowed under its option agreement.

Accordingly, the Company and the optionor have deferred payment of the remaining option payments until the force majeure is discontinued. On August 1, 2003, the Company commenced paying US \$1,500 per month to the optionor as compensation during this waiting period.

(c) The Company has agreements with Amera Resources Corporation ("Amera"), a publicly-traded company with common management and directors, whereby the Company:

(i) optioned its Mogote Property in the NW San Juan Region of Argentina. Amera has the option to earn a 51% interest in the 8,009 hectare Mogote Property by issuing a total of 1,650,000 common shares of Amera to the Company and by incurring US \$1.25 million of expenditures, including work programs and underlying option payments, all over a five year period ending July 1, 2007. Amera has reimbursed the Company for past payments made and expenditures which had been incurred by the Company on the Mogote Property. To date the Company has received 300,000 shares of Amera with an ascribed value of \$125,000. See subsequent event note 12.

On April 8, 2004, Amera entered into a further agreement whereby it can earn an additional 24% interest, for a total 75% interest, after earning the initial 51% interest, by issuing 300,000 shares (issued) of Amera (with a value of \$279,000) and conducting an additional US \$3 million of exploration expenditures over a three year period ending May 20, 2007.

(ii) sold a 100% undivided interest in three mineral properties, comprising 24,280 hectares (the "Chubut Properties"), located in Chubut Province, Argentina, for 500,000 common shares of Amera for a recorded amount of \$225,000. In addition, in the event that a decision is made to place the Chubut Properties into commercial production, Amera will pay the Company a bonus of US\$250,000 and a 3% net smelter returns royalty.

(d) The Company has signed and will continue to sign joint venture agreements for certain of its properties with other junior exploration companies. The Company normally receives shares in these companies as compensation along with their commitments for exploration expenditures.

GOLDEN ARROW RESOURCES CORPORATION

(An Exploration Stage Company)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2005

(Unaudited - Prepared by Management)

7. SHARE CAPITAL

Authorized: unlimited common shares without par value

Issued:	<u>June 30, 2005</u>		<u>December 31, 2004</u>	
	<u>Shares</u>	<u>Amount</u> \$	<u>Shares</u>	<u>Amount</u> \$
Balance, beginning of period	<u>7,624,920</u>	<u>1,854,161</u>	<u>4,144,837</u>	<u>-</u>
Issued during the period for:				
Private placements	-	-	3,239,000	2,040,570
Finance fees	-	-	20,000	12,600
Exercise of warrants	165,347	145,867	221,083	107,544
Less: share issue costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>(306,553)</u>
Balance, end of period	<u><u>7,790,267</u></u>	<u><u>2,000,028</u></u>	<u><u>7,624,920</u></u>	<u><u>1,854,161</u></u>

(a) Warrants

Pursuant to the terms of the Reorganization the Company was required to issue one common share on the exercise of every ten IMA warrants which were outstanding on the date of the Reorganization. As of June 30, 2005 the IMA warrants have either been exercised or expired.

A summary of the number of common shares reserved pursuant to the Company's outstanding warrants as at June 30, 2005, and the changes for the six months ended June 30, 2005, is as follows:

	Number
Balance, beginning of period	3,862,296
Granted	-
Exercised	(165,347)
Expired	<u>(2,049)</u>
Balance, end of period	<u><u>3,694,900</u></u>

Common shares reserved pursuant to warrants outstanding at June 30, 2005 are as follows:

Number	Exercise Price \$	Expiry Date
3,694,900	0.80	November 16, 2005

GOLDEN ARROW RESOURCES CORPORATION

(An Exploration Stage Company)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2005

(Unaudited - Prepared by Management)

8. RELATED PARTY TRANSACTIONS

Effective January 1, 2005, the Company engaged the Grosso Group Management Ltd. ("Grosso Group"), to provide services and facilities to the Company. On May 6, 2005, the formal agreement was finalized, effective as of January 1, 2005. The Grosso Group is a private company owned by the Company, IMA, Amera and Gold Point Energy Corp., each of which owns one share. The Grosso Group provides its shareholder companies with geological, corporate development, administrative and management services. During the six months ended June 30, 2005, the Company paid fees of \$120,474 (plus an additional deposit of \$30,000) to the Grosso Group.

9. INCOME TAXES

Future Income Tax Liabilities

For certain acquisitions and other payments for mineral property interests, the Company records a future income tax liability and a corresponding adjustment to the related asset carrying amount. During the six months ended June 30, 2005, the Company recorded a future income tax liability of \$5,190 and a corresponding adjustment to mineral properties.

	June 30, 2005 \$	December 31, 2004 \$
Future income tax liabilities	<u>1,119,789</u>	<u>1,114,599</u>

10. SEGMENTED INFORMATION

The Company is involved in mineral exploration and development activities, which are conducted principally in Argentina and Peru. The Company is in the exploration stage and, accordingly, has no reportable segment revenues or operating results.

The Company's total assets are segmented geographically as follows:

	June 30, 2005			
	Corporate Canada \$	Mineral Operations Argentina \$	Mineral Operations Peru \$	Total \$
Current assets	2,976,396	14,614	41,179	3,032,189
Equipment	-	-	13,880	13,880
Mineral properties and deferred costs	<u>-</u>	<u>3,076,406</u>	<u>4,135,580</u>	<u>7,211,986</u>
	<u>2,976,396</u>	<u>3,091,020</u>	<u>4,190,639</u>	<u>10,258,055</u>

GOLDEN ARROW RESOURCES CORPORATION

(An Exploration Stage Company)

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2005

(Unaudited - Prepared by Management)

10. SEGMENTED INFORMATION (continued)

	December 31, 2004			
	Corporate Canada \$	Mineral Operations Argentina \$	Mineral Operations Peru \$	Total \$
Current assets	3,194,871	1,289	13,955	3,210,155
Equipment	-	-	3,116	3,116
Mineral properties and deferred costs	-	3,034,776	4,049,731	7,084,507
	<u>3,194,871</u>	<u>3,036,065</u>	<u>4,066,802</u>	<u>10,297,778</u>

11. CONTINGENCY

In March 2004, Aquiline Resources Inc. ("Aquiline") commenced an action against IMA seeking a constructive trust over IMA's Navidad properties and damages. As a condition of the Reorganization the Company became a party to this action. The Company received an indemnification from IMA that will compensate for any payment or cost the Company might have to pay in the event of an award against IMA and/or the Company.

12. SUBSEQUENT EVENT

On August 24, 2005 the Company received an additional 150,000 shares from Amera as part of Amera's option to earn up to a 75% interest in the Mogote property - see Note 6 (c)(i).

GOLDEN ARROW RESOURCES CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTHS ENDED JUNE 30, 2005

Introduction

The following management discussion and analysis and financial review, prepared as of August 29, 2005, should be read in conjunction with the Company's unaudited interim financial statements for the six months ended June 30, 2005 and audited consolidated financial statements for the year ended December 31, 2004 and related notes. These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). Except as otherwise disclosed all dollar figures in this report are stated in Canadian dollars. Additional information relevant to the Company can be found on the SEDAR website at www.sedar.com.

Forward Looking Statements

Certain information included in this discussion may constitute forward-looking statements. Forward-looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different than those expressed or implied. The Company disclaims any obligation or intention to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Corporate Reorganization

On May 3, 2004 IMA Exploration Inc. ("IMA") announced a proposed corporate reorganization (the "Reorganization"). IMA's shareholders approved the Reorganization on June 24, 2004, and thereafter all necessary court and regulatory approvals were received. The Reorganization was effective on July 7, 2004.

The effect of the Reorganization was to transfer IMA's non-Navidad mineral properties to the Company along with \$750,000 of operating cash, marketable securities and the joint venture agreements relating to the transferred properties (the "Transferred Assets"). IMA retained the Navidad mineral property and certain other mineral properties located in Chubut Province, Argentina and all other assets and liabilities. The Company was incorporated on May 11, 2004 for the sole purpose of the Reorganization and had no assets or operations prior to the Reorganization. The shareholders of IMA received shares in the Company (one share in the Company for ten shares of IMA) which resulted in identical ownership by the shareholders before and after the Reorganization.

Canadian GAAP requires that the Company account for the Reorganization on a "carve-out" basis; as if the Transferred Assets had always been Company assets. Note 1 to the December 31, 2004 consolidated financial statements discusses the accounting treatment of the Reorganization transaction.

Overview

The Company is a natural resource company engaged in the business of acquisition and exploration of mineral properties in Argentina and Peru. The Company's strategy is to acquire properties for the purpose of mineral exploration and exploitation. In the event the Company discovers mineralization capable of economic production, it intends to develop or seek a joint venture partner and/or to sell all or a portion of its interest in the subject property to finance the development of such property. At present the Company has no producing properties and consequently has no current operating income or cash flow. As of this date the Company is an exploration stage company and has not generated any revenues. There is no assurance that a commercially viable mineral deposit exists on any of the properties. Further exploration will be required before a final evaluation as to the economic and legal feasibility of any of the properties is determined.

Effective January 1, 2005 the Company engaged Grosso Group Management Ltd., ("Grosso Group") to provide services and facilities to the Company. On May 6, 2005 an administrative services agreement was finalized and executed by the Company and the Grosso Group. The Grosso Group is a private company which is owned by the Company, IMA, Amera Resources Corporation ("Amera") and Gold Point Energy Corp., each of whom owns one share. The Grosso Group provides its shareholder companies with geological, corporate development,

administrative and management services. The Grosso Group staff is available to the shareholder companies on a cost recovery basis without the expense of full time personnel. The shareholder companies pay monthly fees to the Grosso Group. The fee is based upon a reasonable pro-rating of the Grosso Group's costs including its staff and overhead costs among each shareholder company with regard to the mutually agreed average annual level of services provided to each shareholder company.

Principal Properties

The following properties have been transferred to the Company effective on July 7, 2004 as a result of the Reorganization.

Argentina

Chubut (Patagonia)

The Company has 100% interests in a number of claims in western Chubut Province. These properties include the Laguna de los Toros property. Together they cover an area of approximately 86,000 hectares. The Penascudo project has been optioned out to Ballad Gold and Silver Ltd. who carried out a surface sampling program in February-March 2004. All of the Chubut properties are in the exploration stage.

Valle de Cura

The Company has eight exploration properties in the Valle de Cura region. The Company is continuing to evaluate potential partners to advance the drill ready Rio de las Taguas and Porterillos properties and the other, more early-stage, exploration properties in the area. Cloudbreak Resources Ltd. had an option to earn up to a 75% interest in the Gollete property. However, on April 21, 2005 Cloudbreak Resources Ltd. notified the Company that it would not be continuing with this option.

Northwest San Juan

The Company has three exploration properties in the northwestern corner of San Juan Province. Amera has joint venture agreements with the Company whereby Amera can earn up to a 75% interest in the Mogote property. Amera has issued a total of 600,000 shares to June 30, 2005 (an additional 150,000 shares were issued subsequent to the period end). Amera must complete total work expenditures of US\$4,250,000 by July 1, 2007, with a minimum of US\$1,250,000 by May 30, 2005 (completed) and issue a further 1,450,000 shares. Amera carried out exploration drilling programs in March 2004 and in January-February 2005 to test the Filo Este and Filo Central targets. Wide intercepts of anomalous copper-gold mineralization were encountered in each drill program. The Company has carried out minor surface exploration programs on its other two properties in northwestern San Juan during the first quarter of 2005. There are no current plans for further work on these two properties.

Gualcamayo

The Company has three exploration properties in the Gualcamayo area of San Juan in addition to retaining a 1% NSR on the Quebrada del Diablo deposit (1.2 million ounces of gold @~1.1 g/t Au) held by Viceroy Exploration Ltd. The Company has continued detailed and reconnaissance surface exploration programs on its Gualcamayo area properties during the quarter.

Peru

Rio Tabaconas

The Company had previously declared force majeure, as allowed under the property option agreement, on the property payments for this project. The Company is maintaining these properties in good standing in anticipation of returning to the property in 2006.

Other

The Company's Argentine-based exploration team is currently conducting exploration programs to assess a number of the properties currently in its portfolio and initiating generative programs to identify targets in high-potential mineral districts in Argentina. In addition the Company is currently evaluating a number of potential acquisitions. The Company will continue to lever its exploration expenditures through joint-venturing projects with high quality partners.

Selected Quarterly Financial Information

The following selected consolidated financial information is derived from the unaudited consolidated interim financial statements of the Company. The information for the periods prior to July 7, 2004, represents the allocation of IMA's General and Administrative Expenses and Other Items which relate to the assets transferred to the Company. The information has been prepared in accordance with Canadian GAAP. Note 1 to the consolidated financial statements discusses the development of the financial results for the periods before the Company commenced operations on July 7, 2004. To conform to Canadian GAAP management is required to allocate expenses and income items related to the Transferred Assets. These allocated expenses do not necessarily reflect future expenses of the Company. The allocation of expenses was calculated on the basis of the ratio of the specific assets transferred to assets retained. Certain "Other Income and Expense" items have been allocated to spin-off assets on the basis of the nature of the income or expense.

	2005		2004				2003	
	Jun. 30 \$	Mar. 31 \$	Dec. 31 \$	Sept. 30 \$	Jun. 30 \$	Mar. 31 \$	Dec. 31 \$	Sept. 30 \$
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income (Loss)	(160,950)	(81,928)	(105,792)	(69,164)	(355,252)	224,021	(702,420)	22,656
(Loss) income per Common Share Basic and Diluted	(0.02)	(0.01)	(0.01)	(0.02)	(0.09)	0.05	(0.17)	0.01

Summary of Financial Results

For the six months ended June 30, 2005, the Company reported a consolidated loss of \$242,878 (\$0.03 per share). In 2004 period loss of \$131,232 (\$0.03 per share) was reported, before the Company commenced operations, which represent the allocation from IMA.

Results of Operations

Corporate Costs and Other Income

The Company's operating expenses for the six months ended June 30, 2005, were \$291,874. In the 2004 period costs of \$339,517 are the General and Administrative expenses which have been allocated to the Company from IMA. Additionally a net gain of \$208,285 has also been allocated from IMA which included gains from the farm outs of certain of the Transferred Assets, gain on disposition of marketable securities, provision on marketable securities and a foreign exchange adjustment.

Significant expenditures in the six months ended June 30, 2005, were incurred as follows: General Exploration of \$99,231 incurred mainly in Peru and Argentina; Professional fees of \$26,904 comprises legal fees related to general corporate matters and audit fees; Salaries of \$84,072 which represent the allocation of fees paid to the Grosso Group. The Company also recorded a \$40,000 gain on options and disposition of mineral properties which relate to the receipt during the period of 100,000 shares from Amera for its commitments for the Mogote joint venture agreement.

Liquidity and Capital Resources

The Company's cash position at June 30, 2005, was \$2,308,481, with working capital of \$2,937,132. The Company received proceeds of \$145,867 in the period from the issue of common shares on the exercise of IMA warrants.

The Company considers that it has adequate resources to maintain its ongoing operations but may not have sufficient working capital to fund future exploration work and property commitments.

The Company will continue to rely on successfully completing additional equity financing and/or conducting joint venture arrangements to further exploration on its properties. There can be no assurance that the Company will be successful in obtaining the required financing or negotiating joint venture agreements. The failure to obtain such financing or joint venture agreements could result in the loss of or substantial dilution of its interest in its properties.

The Company's management may elect to acquire new projects, at which time additional equity financing may be required to fund overhead and maintain its interests in current projects, or may decide to relinquish certain of its properties. These decisions will be based on the results of ongoing exploration programs and the response of equity markets to the projects and business plan.

The Company does not know of any trends, demand, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, its liquidity either materially increasing or decreasing at present or in the foreseeable future. Material increases or decreases in liquidity are substantially determined by the success or failure of the exploration programs or the acquisition of projects.

The Company does not now and does not expect to engage in currency hedging to offset any risk of currency fluctuations.

Operating Cash Flow

Cash outflow from operating activities was \$299,083 for six months ended June 30, 2005. The 2004 period cash outflow from operating activities of \$283,628 is the "carve out" cash flow and includes the allocations from IMA for the 2004 period before the Company's operations commenced.

Financing Activities

During the six months ended June 30, 2005, the Company received \$145,867 from the issue of common shares on exercise of IMA warrants. A portion of the proceeds from the exercise of the IMA warrants is paid to the Company based on a formula in accordance with the Reorganization. There are no further IMA warrants outstanding at June 30, 2005, subject to this requirement.

Investing Activities

During the six months ended June 30, 2005, \$127,479 was expended by the Company on its mineral properties, \$11,007 on purchase of equipment and \$9,914 was realized from the sale of marketable securities.

Related Party Transactions

The Company has certain common directors and officers with IMA and Amera.

Effective January 1, 2005, the Company engaged Grosso Group to provide services and facilities to the Company. On May 6, 2005 an Administration Services Agreement among the Company and the Grosso Group was executed. During the six months ended June 30, 2005, the Company paid the Grosso Group fees of \$120,474 (plus an additional deposit of \$30,000) for rent, salaries, office and administrative expenses. The fees the Company pays to the Grosso Group are allocated to various expense items that reflect the nature of the actual costs: rent, salaries, investor relations, etc. These fees are equivalent to costs the Company would have incurred directly.

IMA and Amera have assigned the agreements related to the Mogote property to the Company. These agreements are discussed in Note 6 to the consolidated financial statements.

Contractual Commitments

The Company has commitments for monthly fees for administrative and management services to be provided by the Grosso Group. The Company also has commitments of \$205,000 for option payments on its mineral properties due in 2005.

Critical Accounting Policies

Reference should be made to the Company's significant accounting policies contained in Notes 2 and 3 of the Company's consolidated financial statements. These accounting policies can have a significant impact of the financial performance and financial position of the Company.

Use of Estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Significant areas requiring the use of management estimates relate to the determination of environmental obligations and assessment of carrying values of mineral properties and deferred costs. Actual results may differ from these estimates.

Mineral Properties and Deferred Costs

Consistent with the Company's accounting policy disclosed in Note 3 of the annual consolidated financial statements, direct costs related to the acquisition and exploration of mineral properties held or controlled by the Company have been capitalized on an individual property basis. For certain acquisitions and related payments for mineral property interests, the Company records a future income tax liability and a corresponding adjustment to the related asset carrying amount. It is the Company's policy to expense any exploration associated costs not related to specific projects or properties. Management of the Company periodically reviews the recoverability of the capitalized mineral properties. Management takes into consideration various information including, but not limited to, results of exploration activities conducted to date, estimated future metal prices, and reports and opinions of outside geologists, mine engineers and consultants. When it is determined that a project or property will be abandoned or its carrying value has been impaired, a provision is made for any expected loss on the project or property.

Financial Instruments

The Company's financial instruments consisting of cash and cash equivalents, amounts receivable, marketable securities and accounts payable and accrued liabilities approximate their carrying values due to the short-term nature of those instruments.

Risk Factors

The Company's operations and results are subject to a number of different risks at any given time. These factors, include but are not limited to disclosure regarding exploration, additional financing, project delay, titles to properties, price fluctuations and share price volatility, operating hazards, insurable risks and limitations of insurance, management, foreign country and regulatory requirements, currency fluctuations and environmental regulations risks. Exploration for mineral resources involves a high degree of risk. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. For a more complete discussion of these risks and others, reference should be made to the December 31, 2004, Management Discussion and Analysis.

Investor Relations

The Company currently does not engage any outside investor relations consultants. Mr. Sean Hurd is the Company's Vice-President, Investor Relations and coordinates investor relations' activities.

Outstanding Share Data

The Company's authorized share capital is an unlimited number of common shares without par value. As at June 30, 2005, there were 7,790,267 outstanding common shares and 3,694,900 common shares are reserved for issue for outstanding warrants which expire at various times until November 16, 2005. More information on these warrants is set out in Note 7 to the June 30, 2005, interim consolidated financial statements.

As of August 29, 2005, there were 7,790,267 common shares and 3,694,900 warrants outstanding.

Subsequent Event

On August 24, 2005 the Company received an additional 150,000 shares from Amera as part of Amera's option to earn up to a 75% interest in the Mogote property.