



ONA ENERGY

ONA ENERGY INC.
(Formerly Ona Exploration Inc.)

Consolidated Interim Financial Statements

March 31, 2007

These consolidated financial statements have not been reviewed by the Company' auditors.

ONA EXPLORATION INC.
Consolidated Balance Sheets
As at

	March 31, 2007 <i>(Unaudited)</i>	September 30, 2006
	\$	\$
ASSETS		
Current		
Cash and short-term deposits	36,651	184,056
Short-term investments	4,950,000	1,000,000
Amounts receivable and prepaid expenses	42,858	61,016
	<u>5,029,509</u>	<u>1,245,072</u>
Investment in Power Plants (note 3)	1,700,000	1,700,000
Oil and gas property costs (note 4)	752,981	705,298
Equipment (note 5)	6,562	7,360
	<u>7,489,052</u>	<u>3,657,730</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	<u>8,540</u>	<u>51,662</u>
SHAREHOLDERS' EQUITY		
Share capital (note 6(a))	10,142,754	6,050,830
Contributed surplus (note 6 (d))	2,825,493	2,825,493
Deficit	(5,487,735)	(5,270,255)
	<u>7,480,512</u>	<u>3,606,068</u>
	<u>7,489,052</u>	<u>3,657,730</u>

Approved by the Board of Directors:

"John Wong"

Director

"Curt Huber"

Director

ONA EXPLORATION INC.
Consolidated Statements of Operations and Deficit
(Unaudited)

	For the Three Months ended March 31,		For the Six Months ended March 31,	
	2007	2006	2007	2006
	\$	\$	\$	\$
Expenses				
Administrative Fees	803	2,707	2,018	6,707
Amortization	399	106	798	184
Audit and accounting fees	10,750	6,800	12,430	13,000
Consulting	30,347	2,000	64,828	10,780
Finders fee	-	81,250	-	81,250
Foreign exchange loss (gain)	377	-	(480)	-
Interest income	(3,400)	(74)	(3,989)	(74)
Legal	18,996	44,509	28,630	44,722
Office	3,718	7,277	6,915	10,850
Property investigation	-	253	-	4,000
Rent	30,000	30,502	60,000	33,112
Salaries	1,875	-	1,875	-
Shareholders communication	-	27,576	-	37,756
Stock-option compensation	-	2,204,000	-	2,653,200
Travel and accommodation	10,111	21,100	31,408	21,100
Trust and filing	6,090	45,798	13,047	87,704
Net loss for the period	(110,066)	(2,473,804)	(217,480)	(3,004,291)
Deficit, beginning of period	(5,377,669)	(2,231,153)	(5,270,255)	(1,700,666)
Deficit, end of period	(5,487,735)	(4,704,957)	(5,487,735)	(4,704,957)
Loss per share	\$ (0.00)	\$ (0.13)	\$ (0.01)	\$ (0.17)
Weighted average number of shares	24,432,760	19,356,974	24,000,215	17,758,876

See notes to the consolidated financial statements

ONA EXPLORATION INC.
Consolidated Statements of Cash Flows
(Unaudited)

	For the Three Months ended March 31,		For the Six Months ended March 31,	
	2007	2006	2007	2006
	\$	\$	\$	\$
Cash provided by (used for):				
Operations				
Net loss for the period	(110,066)	(2,473,804)	(217,480)	(3,004,291)
Items not affecting cash:				
Amortization	399	-	798	-
Future income tax recovery	-	106	-	184
Stock-option compensation	-	2,204,000	-	2,653,200
	<u>(109,667)</u>	<u>(269,698)</u>	<u>(216,682)</u>	<u>(350,907)</u>
Changes in non-cash working capital components:				
Accounts payable and accrued liabilities	(524,021)	18,630	(43,122)	(24,992)
Amounts receivable and prepaid expense	10,790	17,459	18,158	(13,925)
	<u>(622,898)</u>	<u>(233,609)</u>	<u>(241,646)</u>	<u>(389,824)</u>
Investing Activities				
Equipment	-	(749)	-	(749)
Oil and gas property costs	-	(440,041)	(47,683)	(504,121)
	<u>-</u>	<u>(440,790)</u>	<u>(47,683)</u>	<u>(504,870)</u>
Financing Activities*				
Purchase of short term investments	-	-	(4,200,000)	-
Proceeds from short term investments	250,000	5,500,000	250,000	5,500,000
Cash from shares issued	22,500	979,736	4,528,999	1,963,686
Share issue costs	-	-	(437,075)	(4,710)
	<u>272,500</u>	<u>6,479,736</u>	<u>141,924</u>	<u>7,458,976</u>
Net cash (used) provided during the period	<u>(350,398)</u>	<u>5,805,337</u>	<u>(147,405)</u>	<u>6,564,282</u>
Cash, beginning of period	<u>387,049</u>	<u>1,121,544</u>	<u>184,056</u>	<u>362,599</u>
Cash, end of period	<u><u>36,651</u></u>	<u><u>6,926,881</u></u>	<u><u>36,651</u></u>	<u><u>6,926,881</u></u>

ONA EXPLORATION INC.
Consolidated Schedule of Oil and Gas Property Costs

	September 30, 2006	Net Expenditures	March 31, 2007
	\$	\$	\$
INDONESIA			
Dutch Oil Wells			
Keluang property			
Acquisition	303,949	-	303,949
Assays and reports	19,360	9,150	28,510
Geological and geophysical	-	14,520	14,520
Travel and accommodation	39,019	4,747	43,766
	<u>362,328</u>	<u>28,417</u>	<u>390,745</u>
Karangringin Property			
Acquisition	151,975	-	151,975
Geological and geophysical	-	7,260	7,260
Travel and accommodation	19,509	2,373	21,882
	<u>171,484</u>	<u>9,633</u>	<u>181,117</u>
Suban Burung Property			
Acquisition	151,975	-	151,975
Geological and geophysical	-	7,260	7,260
Travel and accommodation	19,509	2,373	21,882
	<u>171,484</u>	<u>9,633</u>	<u>181,117</u>
CANADA			
Dyberg property			
Acquisition	1	-	1
Hunkson property			
Acquisition	1	-	1
Total Oil and Gas Property Costs	<u><u>705,298</u></u>	<u><u>47,683</u></u>	<u><u>752,981</u></u>

See notes to the consolidated financial statements

ONA EXPLORATION INC.
Notes to the Consolidated Financial Statements
March 31, 2007 and September 30, 2006
(*unaudited*)

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company's major activity is the energy business and oil and gas exploration and development of mineral properties. The recoverability of amounts shown for its properties is dependent upon the discovery of economically recoverable reserves. The Company does not generate cash flows from operations and has therefore relied principally upon the issuance of equity securities to finance its exploration activities. The Company intends to continue relying upon the issuance of equity securities to finance its operations and exploration activities to the extent that such instruments are issuable under terms acceptable to the Company. Accordingly, the Company's interim financial statements are presented on a going concern basis, which assumes that the Company will continue to realize its assets and discharge its liabilities in the normal course of operations. If future financing is unavailable, the Company may not be able to meet its ongoing obligations, in which case the realizable values of its assets may decline materially from current estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting principles and use of estimates

The accompanying unaudited interim financial statements of the Company are prepared in accordance with Canadian generally accepted accounting principles for interim financial statements. These interim financial statements should be read in conjunction with the Company's annual audited financial statements dated September 30, 2006. All material adjustments which, in the opinion of management, are necessary for a fair presentation of the results for the interim periods have been reflected. The results for the six month period ended March 31, 2007 are stated utilizing the same accounting policies as those reflected in the Company's most recent annual financial statements, but these interim figures are not necessarily indicative of the results to be expected for the full year.

3. INVESTMENT IN POWER PLANTS

Yongxing Power Plant Project, China

The Company has signed a formal agreement with the Yongxing Power Plant Corporation ("YPPC") to acquire a 60% equity interest in YPPC, a Sino-Foreign company, which is developing and constructing a 240 MW coal-fired power plant in the Yongxing County, Hunan Province of China.

The first phase of the project, currently under construction, has a 120 MW capacity consisting of 2x60 MW units. The first 60 MW unit is scheduled to generate electricity by the end of August, 2007 with the second 60 MW unit to follow in approximately one year after. There is a provision for an additional two 60 MW units to be built after the completion of the first phase. This would provide the power plant with a total capacity of 240 MW.

The Company is in the process of arranging financing for this transaction.

Medan Power Plant Project, Indonesia

On June 20, 2006, the Company entered into an agreement to acquire a 51% interest in a joint venture to construct and own a 3x35 MW coal fired power plant in Medan, North Sumatra, Indonesia in consideration for the issue of 1,000,000 shares to Can Power Corporation ("CPC"), a private related British Columbia company. The Company has not yet financed nor commenced construction of the plant to date.

4. OIL AND GAS PROPERTIES

Dutch Oil Wells Project, Indonesia

The Dutch Oil Wells Project is made up of three historic oil fields in South Sumatra, Indonesia. The Company acquired an interest in a joint venture agreement to rework and develop these fields.

All projects are held in PT. Muba Ona Oil, the Company's 80% held Foreign Investment Company in Indonesia, which is a joint venture with P.T. Petro Muba ("PTPM"), an agency of the Musi Banyuasin ("MUBA") Local Government Regency. Rights of the projects are governed under a Production Sharing Contract (PSC) within the MUBA Regency. The agreement provides for the management and rehabilitation of the abandoned oil wells located within the boundary of the Corridor Block PSC area in the Keluang, Karangrigin, and Suban Baru oil fields being an area that was previously managed by ConocoPhillips. Under this agreement, the Company is entitled to 80% of the net profit of the Contractor's take, after expenses and taxes under the PSC with the Indonesian government.

Dyberg Prospect, Alberta Canada

During the 2005 fiscal year, the Company had entered into an agreement whereby the Company was granted the right to earn up to a 22.5% Working Interest before payout (13.75% after payout) in the Dyberg Prospect by contributing 25% of the costs associated with the drilling of a test well. The Company has paid \$106,800 under the agreement; however, during the year, the Company wrote-down its interest to \$1, pending a technical review of the project and resolution of costs.

5. EQUIPMENT

	March 31, 2007		September 31, 2006
	Cost	Accumulated Amortization	Net Book Value
	\$	\$	\$
Computer equipment	6,029	2,860	3,169
Office equipment	3,896	503	3,393
	<u>9,925</u>	<u>3,363</u>	<u>6,562</u>
			<u>7,360</u>

6. **SHARE CAPITAL**

- a) Authorized share capital consist of: unlimited common shares without par value.
unlimited preference shares without par value

Issued:

	Number of shares	Amount
		\$
Issued at September 30, 2006	21,330,260	6,050,830
Private placements	2,925,933	(1) 3,951,674
Warrants	187,000	140,250
Issued at March 31, 2007	<u>24,443,193</u>	<u>10,142,754</u>

(1) Net of share issue costs of \$437,075.

- b) Summary of stock options outstanding:

Expiry Date	Exercise Price	September 30, 2006	Granted	Cancelled	March 31, 2007
	\$				
February 28, 2010	0.60	125,000	-	-	125,000
August 17, 2011	1.50	1,001,000	-	-	1,001,000
September 11, 2011	1.50	1,000,000	-	(75,000)	925,000
		<u>2,126,000</u>	<u>-</u>	<u>(75,000)</u>	<u>2,051,000</u>
Weighted average exercise price		<u>\$ 1.45</u>	<u>\$ -</u>	<u>\$ 1.50</u>	<u>\$ 1.45</u>
Weighted average remaining life		<u>4.83</u>			<u>4.33</u>

- c) Warrants outstanding

The continuity of the Company's share purchase warrants is a follows:

Expiry Date	Exercise Price	Balance September 30, 2006	Changes in the period			Balance March 31, 2007
			Issued	Exercised	Expired	
	\$					
November 24, 2007	0.75	880,000	-	(187,000)	-	693,000
April 25, 2008	1.75	-	2,925,833	-	-	2,925,833
		<u>880,000</u>	<u>2,925,833</u>	<u>(187,000)</u>	<u>-</u>	<u>3,618,833</u>
Weighted average Exercise Price		<u>\$ 0.75</u>	<u>\$ 1.75</u>	<u>\$ 0.75</u>	<u>\$ -</u>	<u>\$ 1.56</u>

6. **SHARE CAPITAL** (continued)

d) Contributed surplus

During the period ended March 31, 2007, the Company recorded an estimated fair value of \$Nil (September 30, 2006 - \$2,845,758) for stock-based compensation.

The fair value of the share purchase options was estimated using the Black-Scholes option pricing model with the following assumptions: risk-free interest rates of Nil (September 30, 2006 - 3.00%), no dividend yield, volatility factors of Nil (September 30, 2006 - 114%, and an expected life of Nil (September 30, 2006 - ½ - 2 ½ years).

	\$
Balance at September 30, 2006	2,825,493
Non-cash stock-based compensation	-
Contributed surplus transferred to share capital on options exercised	-
Balance at March 31, 2007	<u>2,825,493</u>

7. **PT MUBA ONA OIL JOINT VENTURE COMPANY**

During the year ended September 30, 2006, the Company acquired an 80% interest in a Joint Venture Company ("PT Muba Ona Oil").

The Company's proportionate interest in the accounts of PT Muba Ona Oil included in these financial statements are as follows:

Balance sheet as at	March 31, 2007	September 30, 2006
	\$	\$
Current assets	34,193	39,610
Long-term assets	<u>216,371</u>	<u>163,947</u>
Total assets	<u>250,564</u>	<u>203,557</u>
Current liabilities	<u>-</u>	<u>(599)</u>
Net income (loss)	<u>(3,132)</u>	<u>(21,851)</u>
Cash flows for the period ended September 30, 2006:		
Operating activities	(3,731)	(21,252)
Investing activities - property costs and equipment	<u>(1,686)</u>	<u>(163,947)</u>
Net cash used during the period	<u>(5,417)</u>	<u>185,199</u>

8. **SUBSEQUENT EVENTS**

The following has occurred during the period subsequent to March 31, 2007:

- a) The Company changed its name to ONA Energy Inc on May 22, 2007.

Management's Discussion and Analysis



ONAENERGY

ONA ENERGY INC.

(Formerly Ona Exploration Inc.)

2nd Quarter Report
Six months ended March 31, 2007

**ONA ENERGY INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
2nd Quarter Report – March 31, 2007**

The following discussion and analysis of the operations, results, and financial position of the Company for the six months ended March 31, 2007 should be read in conjunction with the March 31, 2007 unaudited Financial Statements and the related Notes and the audited annual financial statements and related notes for the year ended September 30, 2006. The effective date of this report is May 29, 2007.

Forward Looking Statements

Except for historical information, the Management's Discussion and Analysis ("MD&A") may contain forward looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance, or achievement expressed or implied by these forward looking statements.

Business Description

Ona was incorporated under the Business Corporation Act of Alberta on August 31, 1998 and continued into British Columbia on January 30, 2006. On May 22, 2007, the Company changed its name from Ona Exploration to Ona Energy Inc. As of June 21, 2006, the Company's shares were publicly traded on the CNQ under the symbol "OEIX". Prior to that, our shares were traded on the TSX Venture Exchange ("TSX-V") under the symbol "OEI". The Company delisted its shares from the TSX.V at the close of business on June 21, 2006. In addition to the CNQ, the Company also trades on the Frankfurt Exchange under the symbol "O3X".

Ona Energy Inc. is a Canadian-based international energy company focused on the acquisition and development of power generation and oil & gas projects. The Company currently is working on projects in Alberta, Canada, North and South Sumatra, Indonesia and China.

Management continues to actively evaluate additional resource prospects for acquisition by the Company.

Overview of Projects

240 MW Coal-Fired Power Plant – Yongxing, China

In March, 2007 Ona announced that the Company had signed a letter of intent with Yongxing Power Plant Corporation (YPPC) to formalize ongoing discussions for the acquisition of a 60% joint venture interest in a 240 Mega Watt (MW) coal-fired power plant. In May, 2007, the Company announced that it formalized an Acquisition Agreement with the Yongxing Power Plant Corporation (YPPC) and its shareholders pursuant to which the Company has the right to acquire a 60% equity interest in YPPC. The Company can acquire its interest by paying to the shareholders of YPPC a total of US\$10.2 million. The power plant is currently under construction in Yongxing County, Chenzhou City, Hunan Province, China.

YPPC is an existing Sino-Foreign Joint Venture Company that holds the right to develop the 240 megawatt (MW) coal-fired Yongxing Power Plant located in Yongxing County, Chenzhou City, Hunan Province, China. The YPPC power plant will be comprised of up to four 60 MW units. Construction of the first 60 MW unit is currently underway and is scheduled to generate electricity by August 2007. The second unit is scheduled to be ready to generate electricity approximately one year later. The current shareholders of YPPC will complete and contribute the first 60 MW unit for a 40% interest in YPPC. To complete the second 60 MW unit, the Company will work with YPPC to arrange secured funding estimated at between US\$28.4 and US\$38.75 million, using the first 60 MW unit as collateral. Under the Hunan Reform and Development Committee's Certificate of

Approval, there is provision for an additional two 60 MW units to be built after the completion of the first two 60 MW units. This would give this power plant project a total capacity of 240 MW upon completion of the third and fourth units which are anticipated to begin construction shortly after the completion of the first two units.

In accordance with Chinese law, YPPC will apply to the China Foreign Investment Bureau for a certificate of approval of the share transfer modifications from the three existing shareholders of YPPC to Ona Exploration Inc. From the date when the certificate of approval is obtained (the Effective date), Ona will have 60 days to advance the capital required for the purchase and complete the acquisition. The Company will seek to raise additional funding for payment of the purchase price. If the Company is unable to obtain the necessary funding, the agreement will terminate unless amended. Upon completion of the transaction the Company will hold a 60% equity interest in Yongxing Power Plant, Yongxing County Hydro Authority will hold 20% and Hong Kong Modern Develop Limited will hold 20%.

The Company has also engaged the First Industry (Power Plant) Design Institute of Hunan to provide the necessary consulting services as required to develop and operate the power plant. First Industry, as consultants, will provide services including identifying engineering firms, assisting in hiring and training power plant operators, and other industry related services in connection with developing and operating of the power plant for a term of one year. The consulting fee will be US\$1,500,000, of which \$500,000 may be paid by issuing 500,000 shares of Ona, and is due upon completion of the acquisition of the 60% interest in YPPC. The Company will pay a non-refundable retainer of US\$250,000 which will be applied towards the consulting fee.

The Company is in the process of arranging financing for this transaction.

Power Plant Project - North Sumatra, Indonesia

In June 2006, the Company acquired a 51% interest in a joint venture (JV) to construct and own a 3 x 35 MW coal-fired power plant in Medan, North Sumatra, Indonesia.

PT Cahaya Sakti, Ona's JV partner shall transfer to the Company a 51% controlling interest in the project. Cahaya Sakti has all of the major approvals and documents in place for the Project, including the Power Purchase Agreement (PPA), Long Term Fuel Supply Agreement, and Environmental Permits.

In addition, PT Cahaya Sakti's wholly owned subsidiary, Pt. Turbindo, has a large coal mine concession covering 22,500 hectares. The deposit contains an estimated 50 million tonnes of coal rated at 4,500 to 5,200 kcal/kg. The deposit located in Palembang, Southern Sumatra, Indonesia, is ready to be exploited and will guarantee the fuel supply for the proposed power plant under a long-term contract.

The terms of the PPA are as follows:

- The term of electrical power sales is for 20 years
- The electrical power, with a minimum dependable capacity of 50 MW over a period of 8760 hours per annum, amounting to 438,000,000 kW-hr per annum is to supply the Medan Industrial Estate.
- The sale price of electricity is approximately US\$0.05/kW-hr for first year through to the third year, thereafter; it is increased by 2% annum for the minimum contract amount.
- The sale price for electrical power in excess of the minimum amount contracted is approximately US\$0.04775/kW-hr thereafter; it is increase by 2% annum.

The estimated capital cost of the power plant is about US \$110 million. PT Cahaya Sakti shall use the equivalent of 20% of the project value in coal as a down payment, and financing shall be negotiated and arranged with the turnkey contractor who will provide the remainder of the project value. The estimated annual gross revenue of the proposed power plant is in excess of US \$29 million subject to a 2% increase annually. To date, construction on the power plant has not begun.

Dutch Oil Wells Project – South Sumatra, Indonesia

The Dutch Oil Wells Project is made up of three historic oil fields in South Sumatra, Indonesia, The Company acquired an interest in a joint venture agreement to rework and develop these fields.

All projects are held in PT. Muba Ona Oil, the Company's 80% held Foreign Investment Company in Indonesia, which is a joint venture with P.T. Petro Muba ("PTPM"), an agency of the Musi Banyuasin ("MUBA") Local Government Regency. Rights of the projects are governed under a Production Sharing Contract (PSC) within the MUBA Regency. The agreement provides for the management and rehabilitation of the abandoned oil wells located within the boundary of the Corridor Block PSC area in the Keluang, Karangrining, and Suban Baru oil fields being an area that was previously managed by ConocoPhillips. Under this agreement, the Company is entitled to 80% of the net profit of the Contractor's take, after expenses and taxes under the PSC with the Indonesian government.

The Dutch Oil Wells comprise approximately 300 abandoned Dutch Oil Wells situated in Keluang, Karangrining and the Suban Burung oilfields. Many of these wells have been capped since 1945, when the Japanese turned the country back to the Indonesians and not the Dutch. Through geological modeling, typical to this area, it would appear that the pay zone reservoirs are being recharged through sub-surface fluid movements. The regency of Musi Banyuasin has the rights to these Dutch oil wells.

The Company commissioned two separate 51-101 reports relating to the Dutch Oil Wells Project. The first report from Chapman Petroleum Engineering Ltd. of Calgary, Alberta, dealt with primary recovery of the Company's main Dutch Oil Wells asset, the Keluang field. In their report of March 1, 2006, it was reported that there were primary oil reserves recoverable of 1,806,948 stb. A further report commissioned from Calco Geological & Engineering from Calgary, Alberta. In the Calco report of November 1, 2006 it was reported that by utilizing secondary and tertiary recovery methods, namely horizontal well bore holes with down dip and/or central pool water flood, Calco reported that the estimated remaining recoverable reserves in the field range from 15,000,000 to 25,000,000 stb.

The Calco report recommended a work program that involves the development of all five compartments in the Keluang oilfield. The initial phase provides for development to produce secondary reserves within Compartment "E" of the Keluang oilfield. The proposed development includes four horizontal producing wells, 2 vertical producing wells, 4 horizontal water injection wells, satellite battery gathering lines and water injection has an estimated capital cost of US\$8.5 million. The forecast production from compartment "E" of the Keluang oil field is 4.5 million STB.

Three additional work program phases have been proposed for subsequent years. Gross capital expenditures for all four phases have been estimated at US\$38 mil. Under the terms of the Indonesian Production Sharing Contracts (PSC), capital expenditures are 100% recoverable from production prior to taxes and split with the government. To date, work has not commenced at the project.

Dyberg oil well project – Alberta, Canada

During the 2005 fiscal year the Company had entered into an agreement whereby the Company was granted the right to earn up to a 22.5% Working Interest before payout (13.75% after payout), in the Dyberg Prospect by contributing 25% of the costs associated with the drilling of a test well. The Company has paid \$106,800 under the agreement. However during the 2006 fiscal year, the Company wrote-down its interest to \$1.00, pending a technical review of the project and resolution of costs.

2007. Under the new terms of the warrant, they will remain exercisable at a price of \$1.75, but the expiry date will be extended to April 25, 2008.

The continuity of the Company's share purchase options is as follows:

Expiry dates	Exercise prices (\$)	Balance September 30, 2006	Issued	Exercised	Cancelled	Balance March 31, 2007
February 28, 2010	0.60	125,000	-	-	-	125,000
August 17, 2011	1.50	1,001,000	-	-	-	1,001,000
September 11, 2011	1.50	1,000,000	-	-	(75,000)	925,000
		<u>2,126,000</u>	<u>-</u>	<u>-</u>	<u>(75,000)</u>	<u>2,051,000</u>
Weighted average Exercise price		<u>\$ 1.45</u>			<u>\$ 1.50</u>	<u>\$ 1.45</u>
Weighted average remaining life		<u>\$ 4.83</u>				<u>\$ 4.58</u>

Summary of Quarterly Results

Expressed in \$ Canadian

Period ended	Mar 31 2007 Q1	Dec 31 2006 Q1	Sept 30 2006 Q4	Jun 30 2006 Q3	Mar.31 2006 Q2	Dec. 31 2005 Q1	Sept. 30 2005 Q4	Jun 30 2005 Q3
Total Revenue	-	-	-	-	-	-	-	-
Income (loss) before other items	(110,066)	(107,414)	(447,071)	(118,224)	(2,473,804)	(530,490)	(130,399)	(27,811)
Basic loss per Share	(0.00)	(0.00)	(0.02)	(0.01)	(0.13)	(0.03)	(0.01)	(0.00)
Net Income (loss)	(110,066)	(107,414)	(447,071)	(118,224)	(2,473,804)	(530,490)	(130,399)	(27,811)
Basic loss per Share	(0.00)	(0.00)	(0.02)	(0.01)	(0.13)	(0.03)	(0.01)	(0.00)

Liquidity and Capital Resources

The Company had working capital of \$5,020,969 at March 31, 2007. Historically, the Company has raised funds through equity financing and the exercise of options and warrants to fund its operations and it continues to rely upon these sources of capital to finance its operations.

The market price of natural resources is highly speculative and volatile. Instability in prices may affect the interest in resource properties and the development of and production from such properties. This may adversely affect the Company's revenues as well as its ability to raise capital to acquire and explore resource properties.

Internal Disclosure Controls and Procedures

We have evaluated the effectiveness of our disclosure controls and procedures and have concluded, based on our evaluation that they are sufficiently effective to provide reasonable assurance that material information relating to the Company and its consolidated subsidiaries is made known to management and disclosed in accordance with applicable securities regulations.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet transactions.

Critical Accounting 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 revenues and expenses during the period. Actual results could differ from those estimates.

Financial Instruments

The Company's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities. Terms of the financial instruments are fully disclosed in the Company's financial statements. It is management's opinion that the Company is not exposed to significant interest, currency, or credit risks arising from its financial instruments and that their fair values approximate their carrying values unless otherwise noted.

Change in Management

On March 14, 2007, Ona announced that Mr. Rick Overes joined the Company as Chief Financial Officer, replacing Curt Huber as CFO, who remains with the Company in his capacity of Director and Secretary.

Mr. Overes is a C.G.A. with 18 years of experience in the field of public accounting, tax and business consulting for privately held companies. He has done consulting work for a number of public companies. His varied background assisting companies in many different sectors, has given him a broad background from which to draw when assisting the clients in his public practice. His most recent public company experience was as Chief Financial Officer for an oil and gas company with projects in the United States and as a consultant to Ona since September 2006.

Subsequent Events

On May 22, 2007 the Company changed its name from Ona Exploration Inc. to Ona Energy Inc. and on May 25, 2007, the Company began trading on the CNQ under its new name Ona Energy Inc. The Company's stock symbol remained OEIX.

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com.