

La Quinta Resources Corporatin

Notice Pursuant to Part 4.3 (3) of the National Instrument 51-102
Continuous Disclosure Obligations

The 2005 Nine Month report of Derek Oil and Gas Corporation filed for the three and nine months ended September 30, 2005, has been prepared by management without review by our auditors. These unaudited financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles for interim financial information. Accordingly, they do not include all of the information and notes to the financial statements required by Generally Accepted Accounting Principles for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included.

Date: November 21, 2005

“Signed”

Name: Dustin Henderson
Chief Financial Officer
La Quinta Resources Corporation

LA QUINTA RESOURCES CORPORATION
QUARTERLY FINANCIAL STATEMENTS
For the Three and Nine Month Periods Ended September 30, 2005

LA QUINTA RESOURCES CORPORATION
BALANCE SHEET
Unaudited

	September 30 2005	December 31 2004
ASSETS		
Current		
Cash and equivalents	\$ 14,246	\$ 173,786
Prepaid expenses and deposits	6,315	1,539
	<u>20,561</u>	<u>175,325</u>
Mineral properties (Note 4)	38,088	16,500
Deferred Exploration Expenditures	113,936	110,633
	<u>\$ 172,585</u>	<u>\$ 302,458</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable	\$ 42,817	\$ 40,557
Future income tax liability	<u>10,265</u>	<u>-</u>
Shareholders' equity		
Capital stock (Note 5)	244,518	340,500
Contributed surplus	44,300	
Deficit	(169,315)	(42,599)
	<u>119,503</u>	<u>261,901</u>
	<u>\$ 172,585</u>	<u>\$ 302,458</u>

Nature and continuance of operations (Note 1)

Approved on Behalf of the Board:

<u>“Glen Watson”</u>	<u>“Dustin Henderson”</u>
Director	Director

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

LA QUINTA RESOURCES CORPORATION.
CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2005
Unaudited

	Three Months Ended September 30 2005	Nine Months Ended September 30 2005
EXPENSES		
Bank charges and interest	19	87
Management fees	-	30,000
Office and miscellaneous	2,607	3,267
Professional fees	29,164	52,864
Rent	857	6,759
Stock based compensation	-	44,300
Transfer, regulatory and sponsorship fees	3,675	41,001
Travel and related costs	-	2,155
Loss from operations	\$ (36,322)	\$ (180,433)
OTHER ITEMS		
Gain realized on future income taxes	\$ 3,000	\$ 53,717
Net income (loss) for the period	\$ (33,322)	\$ (126,716)
Deficit, beginning of period	\$(135,993)	\$ (42,599)
Deficit, end of period	\$(169,315)	\$ (169,315)
Basic and fully diluted loss per share	\$ (0.01)	\$ (0.02)
Weighted average number of shares outstanding during the period	5,295,000	5,255,000

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

LA QUINTA RESOURCES CORPORATION.
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2005
Unaudited

	Three Months Ended September 30, 2005	Nine Months Ended September 30, 2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) from operations	\$ (33,322)	\$ (126,716)
Items not affecting cash:		
Gain on realization of future tax effects of flow through shares	\$ (3,000)	\$ (53,717)
Stock-based compensation	-	44,300
Changes in non-cash working capital items:		
Increase in prepaid expenses and deposits	(100)	(4,776)
Increase (decrease) in accounts payable and accrued liabilities	17,931	2,260
Net cash provided by operating activities	<u>(18,491)</u>	<u>(138,649)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Deferred exploration	(979)	(3,303)
Acquisition of mineral properties	(17,588)	(17,588)
Net cash used in investing activities	<u>(18,567)</u>	<u>(20,891)</u>
Change in cash and equivalents during the period	(37,058)	(159,540)
Cash and equivalents, beginning of period	<u>51,304</u>	<u>173,786</u>
Cash and equivalents, end of period	<u>14,246</u>	<u>14,246</u>

Significant non-cash transaction of the Company during the period ended September 30, 2005:

- a) Recognized benefit of flow-through tax shares of \$82,627. (see note 4)

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

LA QUINTA RESOURCES CORPORATION.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2005
Unaudited

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company was incorporated on August 17, 2004 under the British Columbia Company Act and its principal business activities include the acquiring and developing of mineral properties, began on that date.

The Company is in the process of exploring and developing its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties and related deferred exploration costs is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing, to commence profitable operations in the future, and to achieve a favourable outcome of its contingencies.

	September 30	December 31
	2005	2004
Working capital	\$ (22,256)	\$ 134,768
Deficit	(169,315)	(42,599)

2. BASIS OF PRESENTATION

These unaudited interim financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles. All financial summaries included are presented on a comparative and consistent basis showing the figures for the corresponding period in the preceding year or the preceding period. The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of annual financial statements. Certain information and footnote disclosure normally included in financial statements prepared in accordance with generally accepted accounting principles has been condensed or omitted. These interim period statements should be read together with the audited financial statements and the accompanying notes included in the Company's audited financial statements as at and for the year ended December 31, 2004. In the opinion of the Company, its unaudited interim financial statements contain all adjustments necessary in order to present a fair statement of the results of the interim periods presented. As the Company was incorporated in August 2004, no comparative information for September 30, 2004 has been provided as it would not be meaningful.

LA QUINTA RESOURCES CORPORATION.
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2005
Unaudited

3. MINERAL PROPERTIES AND DEFERRED EXPLORATION EXPENDITURES

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristics of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

Howell Property, British Columbia	\$115,922
Crowsnest Property, British Columbia	\$ 36,102

Howell Property, British Columbia

On August 17, 2004, the Company accepted assignment of an option on the Howell property, from a company with a common director, under which the Company can earn a 60% interest in the mineral property by paying cash acquisition costs of \$220,000 over 4 years, issuing 150,000 common shares and incurring exploration expenditures of \$900,000 over 4 years. The schedule of commitments is as follows:

DATE	CASH PAYMENT	SHARES TO BE ISSUED	EXPENDITURE
ON SIGNING	\$2,500 (PAID)	20,000 (ISSUED)	-
BY AUGUST 4, 2005	\$5,000 (PAID)	20,000 (ISSUED)	\$100,000 (MADE)
BY AUGUST 4, 2006	\$12,500	20,000	\$100,000
BY AUGUST 4, 2007	\$20,000	20,000	\$100,000
BY DECEMBER 31, 2008	\$180,000	70,000	\$600,000
	\$220,000	150,000	\$900,000

Acquisition Costs

Balance, beginning of period	\$ 4,500
Option payments	7,048
Balance, end of period	\$ 11,548

Exploration Costs

Balance, beginning of period	\$102,292
Engineering costs	2,082
Balance, end of period	\$104,374

Balance, end of period	\$115,922
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LA QUINTA RESOURCES CORPORATION.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2005
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Crowsnest Property, British Columbia

On August 17, 2004, the Company entered into an assignment of an option agreement with respect to the Crowsnest claims, from a company with a common director, under which the Company can earn up to a 60% interest in the claims by paying cash acquisition costs of \$100,000 over 4 years, issuing 150,000 common shares and incurring \$800,000 of exploration expenditures on the claims. The schedule of commitments is as follows:

DATE	CASH PAYMENT	SHARES TO BE ISSUED	EXPENDITURE
ON SIGNING	\$10,000 (PAID)	20,000 (ISSUED)	-
BY JULY 31, 2005	\$7,500 (PAID)	-	-
BY AUGUST 4, 2005	\$5,000 (PAID)	20,000 (ISSUED)	
BY OCTOBER 31, 2005			\$10,000
BY JULY 31, 2006	\$12,500	-	-
BY AUGUST 4, 2006	\$5,000	20,000	\$100,000
BY AUGUST 4, 2007	\$20,000	20,000	\$100,000
BY AUGUST 4, 2008	\$40,000	70,000	\$590,000
	\$100,000	150,000	\$800,000

Acquisition Costs

Balance, beginning of period	\$12,000
Option payment	14,540
Balance, end of period	\$26,540

Exploration Costs

Balance, beginning of period	\$8,341
Engineering costs	120
Claim costs	1,101
Balance, end of period	\$9,562

\$36,102

LA QUINTA RESOURCES CORPORATION.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2005
Unaudited

4. CAPITAL STOCK

Authorized:

Unlimited common shares without par value

Issued:

	Number of Shares	Share Amount	Contributed Surplus
Shares issued for cash	2,133,750	\$ 95,875	
Flow-through shares issued for cash	2,671,250	\$179,625	
Shares issued for services	360,000	\$ 21,000	
Shares issued for debt	50,000	\$ 5,000	
Shares issued for mineral properties	40,000	\$ 4,000	
Balance, December 31, 2004	5,255,000	\$304,500	
Recognize tax benefit realized on renunciation of flow through shares	-	\$(63,962)	
Shares issued for mineral properties	40,000	\$ 4,000	
Balance, March 31, 2005	5,295,000	\$244,518	

Flow-through shares

The Company has issued 2,133,750 flow-through shares for total proceeds of \$179,625. The Company has adopted the March 19, 2004 recommendation of the Emerging Issues Committee of the CICA on flow through shares, which requires the recognition of the foregone tax benefits at the time of renouncement, provided there is reasonable assurance the expenditure will be incurred. In February 2005, the Company renounced exploration expenditures of \$179,625 to its flow-through shareholders and reduced its share capital by \$63,982, representing the tax benefit of the tax deduction renounced to these shareholders.

Stock options

The Company has adopted a stock option plan under which it is authorized to grant options to directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock at prices to be determined and for a term not to exceed five years. Under the plan, the Company granted 775,000 options on March 31, 2005 at an exercise price of \$0.25 per shares, and an expiry date of March 30, 2010.

The fair value of the stock options granted was estimated on the grant date using the Black-Scholes options pricing model with the following assumptions: no dividend yield, expected volatility of 119%, risk free interest rate of 2.75% and an expected life of five years. An amount of \$44,300 was credited to contributed surplus, representing the aggregate fair value of the stock options granted.

5. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties during the period:

- a) Paid or accrued management fees of \$30,000 to a director of the Company.

LA QUINTA RESOURCES CORPORATION.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2005
Unaudited

6. INCOME TAXES

The recoverability of income taxes shown in the financial statements of operations and deficit differs from the amounts obtained by applying statutory rates due to the following:

	September 30, 2005	December 31, 2004
Statutory rate	36%	36%
Income tax recovery based on reported loss	\$ (53,111)	\$ (15,174)
Non-deductible items	15,780	-
Change in valuation allowance	(15,174)	15,174
Future income tax recovery	(53,717)	-

Significant components of the Company's future tax liabilities are as follows:

	September 30, 2005	December 31, 2004
Operating losses	\$ 53,717	\$ 15,174
Resource deductions	(63,982)	-
	(10,265)	15,174
Valuation allowance	-	(15,174)
Future income tax liability	\$ (10,265)	\$ -

7. SUBSEQUENT EVENTS

Subsequent to the quarter, the Company completed the Crowsnest work commitment for 2005. (see note 3)

8. PROPOSED FINANCING

By an agency agreement dated June 24, 2005, the Company intends to offer, to the public by way of prospectus offering, up to 1,600,000 flow-through shares at \$0.25 per share and up to 3,600,000 units at \$0.25 per unit. This offering is subject to a minimum offering of 1,280,000 flow-through shares and 2,560,000 units. Each unit consists of one share and one warrant. Each warrant entitles the holder to acquire an additional share at \$0.40 for one year.