

LA QUINTA RESOURCES CORPORATION

FORM 51-901F – FOR THE QUARTER ENDED DECEMBER 31, 2006

MANAGEMENT DISCUSSION AND ANALYSIS

1.1 DESCRIPTION OF BUSINESS

The Board of Directors of LA QUINTA RESOURCES CORPORATION (the “Company”, or “La Quinta”) is pleased to present to its shareholders a summary of the Company’s activities for the year ended December 31, 2006, and any other pertinent events subsequent to that date up to and including April 24, 2007.

The following information should be read in conjunction with the audited financial statements and related notes, which are prepared in accordance with Canadian generally accepted accounting principles.

The Company is a “reporting” company in the provinces of British Columbia, Alberta and Ontario. Its common shares are listed on the TSX Venture Exchange under the trading symbol “LAQ”. The Company is in the business of exploring for precious metals. The Company’s properties are in British Columbia - Canada, Sonora - Mexico and the Maniema – South Kivu Gold Belt in the Democratic Republic of the Congo (“DRC”).

1.2 OVERALL PERFORMANCE

The Company originally optioned a 60% interest in two gold properties in the Southeastern part of British Columbia, namely the Howell and the Crowsnest properties. Both properties have had extensive previous exploration work by major mining companies and management feel they continue to hold significant uncapped potential.

In the second quarter of 2006 the Company acquired a group of properties covering some 5,000 hectares in the Sonora gold belt, Mexico which has had limited past exploration and holds significant promise of near surface open-pit, heap leachable gold deposits. The Company is actively exploring these properties at this time.

In the third quarter of 2006, the Company entered into a Memorandum of Understanding (“MOU”) to form a Joint Venture to explore and develop 7,010 square kilometers of the Maniema – South Kivu Gold belt in the eastern Congo. The Company may earn up to an 80% interest in the Joint Venture, with the remaining interest being held by Wa Balengela Kasai-Investments Congo sprl (“WBK”), a Congolese company with extensive experience in mining in the Congo. WBK will be of great assistance to the joint venture with government relations, local liaison and local management and expediting of the DRC projects.

The exploration permits optioned to the Joint Venture are a contiguous group of 32 exploration licenses totaling 7,010 square kilometers, abutting and occupying all the ground between Banro Corporation’s (TSX:BAA) Lugushwa and Namoya properties and extending some 150 kilometers to the west. The permits have a long history of both formal and informal mining, having been extensively mined, mostly for alluvial gold, by BelgiqueOR from the early 1940’s to the 1970’s when formal mining and exploration ceased. At least six sites of previous mining can be easily identified and artisanal mining continues on

much of these target areas today.

Under the terms of the MOU, after a period of successful due diligence review, currently underway, La Quinta may earn up to 80% in the Joint Venture by expending US\$10.0 million on exploration over the next five years, and over the next three years making cash payments of US\$1.5 million and share issuance of eight million shares. A finder's fee of 550,000 shares is payable in stages. The properties are subject to a 2.5% Net Smelter Royalty.

In October 2006, a Congolese registered company commenced an action in the British Columbia courts over the Congo acquisition claiming to have an existing agreement, or protocol with WBK. La Quinta will be defending the lawsuit. No amount has been recognized on the Company's books with respect to this lawsuit, as its outcome is undeterminable at this time.

As a consequence of this action, the Company suspended due diligence work and requested that WBK clear title in Congo. WBK subsequently applied to the Commercial Court of the DRC to have the earlier protocol between the Congolese registered company and WB Kasai dated 29th September 2005 declared invalid.

On the 13th of March, the Commercial Court in Congo found in favor of WBK and against the Congolese registered company and declared that the 2005 Protocol was null and void. WBK has been informed that the Congolese mining Company will appeal this decision.

In January 2007, the Company signed a Memorandum of understanding to lease the mining and exploration rights on the Kampene Gold Project covering 34 square Kilometers of the Maniema – South Kivu Gold belt in the eastern Congo. The Kampene project is a former gold producer owned since 1982 by Association Minier de Kivu sprl (AMIKI.) which will be explored and developed by LAQ Congo sprl, a JV Company in which LAQ will own 80% and LAQ's Congolese partners, Wa Balengela Kasai Investments sprl ("WBK") will own 20%. The project is subject to a 1.5% NSR and an annual rental of US\$100,000, with a buy out provision for US\$2 million after 5 years. On 13th of April 2007, LAQ signed a formal agreement with AMIKI allowing exploration to commence immediately.

LAQ is commencing work on the Kampene Project in April 2007, while at the same time it is working to complete the due diligence on the much larger 32 claim area and will apply to have the Congolese Company Lawsuit against LAQ here in BC dismissed by virtue of the Commercial Court's decision in Congo that no contract exists between the Congolese Company and WB Kasai.

Beyond the exploration and development success at the Company's properties, there are several factors that could impact the Company going forward, either positively, or negatively. These include the state of the world economy and the demand for metals. Any economic declines would cause metal prices to decline that may negatively impact the value of the Company's exploration properties. These factors are beyond the control of the Company.

1.3 SELECTED ANNUAL INFORMATION

The following information is selected financial data for the Company for its three most recently completed financial years.

	<u>YEAR ENDED DECEMBER 31</u>		
	2006	2005	2004
Total Assets	\$ 2,194,794	\$ 974,198	\$ 302,458
Total Liabilities	51,545	61,781	40,557
Shareholders Equity	2,143,249	912,417	261,901
Total Revenues	\$ -	\$ -	\$ -
Operating expenses	548,832	249,195	42,599
Stock based compensation	-	44,300	-
Other Items			
Interest Income	(15,284)	-	-
Income Tax Recovery	(117,215)	(63,982)	-
Net Loss For The Year	\$ 416,333	\$ 229,513	\$ (42,599)
Income (Loss) Per Share - Basic	\$ (0.04)	\$ (0.05)	\$ (0.01)
Cash dividends declared	\$ -	\$ -	\$ -

1.4 RESULTS OF OPERATIONS

The company incurred a net loss 416,333 for the year ended December 31, 2006 and has a working capital surplus of \$916,127 at December 31, 2006, compared to a net loss of \$229,513 in 2005 and a working capital surplus of 740,531 at December 31, 2005.

The Company was more active during fiscal 2006 than it was in fiscal 2005, and this is reflected in the increased costs of operation incurred during the year in all expense categories except transfer and regulatory fees which decreased from \$54,798 to \$35,593 as initial listing fees were incurred in 2005 in addition to ongoing maintenance fees and stock based compensation which reduced to \$nil from \$44,300 as there were no stock awards granted during 2006.

The most significant increases in costs during the year ended December 31, 2006 over those incurred for the comparative period were as follows:

- Consulting fees increased to \$6,858 from \$nil as a result of the Company hiring temporary office administrative staff.
- Management fees increased to \$71,050 from \$45,000 as a new contract was entered into during the year increasing the management fees.
- Office and miscellaneous expenses increased to \$23,631 from \$3,970 as a result of general increased corporate activity.

- Professional fees increased to \$130,709 from \$119,708 as a result of significant legal expenses being incurred in relation to a property acquisition in Mexico and increased audit fees given the increasing complexity of the Company.
- Property Investigation costs increased to \$100,709 from \$nil as the Company incurred due diligence costs during 2006 on properties which were not eventually acquired by the Company. In 2005 the Company was less active in this area.
- Rent increased to \$23,839 from \$9182 as a result of the Company moving offices and entering into a five year lease taking on additional space allowing for the future expansion of the Company.
- Shareholder communications costs increased to \$90,350 from \$13,682 as a result of increased investor relations activity and the contracting of staff to perform investor relations activities.
- Telephone expenses increased to \$15,610 from \$nil as a result of increased corporate activity.
- Travel and entertainment increased to \$45,824 from \$2,155 as a result of significantly increased travel costs associated with due diligence on properties and increased international travel as a result of the property holdings in Mexico and the Congo.
- Interest received increased to \$15,284 from \$nil for 2005 as the Company derived significant cash balances from the financings undertaken during the year.
- As a result of the renunciation of certain flow through financings the Company also recorded a recovery of future income taxes amounting to \$117,215 for 2006 compared to \$63,982 for the comparative period.

1.5 SUMMARY OF QUARTERLY RESULTS

	<u>QUARTER ENDED</u>			
	MARCH 31 2006	JUNE 30 2006	SEPTEMBER 30 2006	DECEMBER 31 2006
Total revenues	\$ -	\$ -	\$ -	\$ -
Net income (loss) for the period	\$ 43,805	\$ (85,777)	\$ (175,780)	\$ (198,581)
Basic net income (loss) per share	\$ 0.01	\$ (0.01)	\$ (0.01)	\$ (0.01)

	<u>QUARTER ENDED</u>			
	MARCH 31 2005	JUNE 30 2005	SEPTEMBER 30 2005	DECEMBER 2005
Total revenues	\$ -	\$ -	\$ -	\$ -
Net income (loss) for the period	\$ (93,394)	\$ (29,009)	\$ (33,332)	\$ (73,778)
Basic net income (loss) per share	\$ (0.02)	\$ (0.01)	\$ (0.01)	\$ (0.01)

1.6 DESCRIPTION OF OPERATIONS

The focus on the public listing meant little exploration was conducted in 2005 and the first half of 2006. Subsequently, the Company completed a significant exploration program on the Crowsnest and Howell Properties located in south-eastern British Columbia in 2006,

On the Crowsnest, the program included re-evaluation of a previous trench, where a chip sample along the full length of a trench intercepted 8.23 g/t over 16.5 meters, and select grab sampling. Results of the 39 samples included a high of 75,724.1 ppb gold with 7245 ppm copper and 86.6 ppm tellurium. The arithmetic averages of the samples were 4,194 ppb gold, 366 ppm copper and 4.5 ppm tellurium.

The purpose of the program was to better understand the orientation of the mineralisation in the discovery trench and has allowed for the 2006 program to be planned. In June and July, 2006 the Company conducted a program of mechanical trenching and drill road construction at the Crowsnest project. The geological contractor working with additional geological input provided by an American senior gold producer has identified a structural feature that may be responsible for the high-grade mineralization occurring as rubble along a 1600 metre extent.

On the Howell property, some additional claims were added to the property in 2006. The 2006 exploration program culminated in the drilling of six diamond drill Holes on the Howell Property totalling 884 metres. Drilling commenced on September 7 and was completed on November 7. The 2006 drill program focused on new target generation and an evaluation of targets identified in a 2004 airborne geophysical survey.

The first three holes, collared in the “E” grid area of the property (northwest side of property), were completed to expand upon results previously obtained by Placer Dome Inc. Holes HW-601 to HW-603 intersected long intervals of Proterozoic siltstone intruded by several phases of monzonite with variable quantities of pyrite and variable quartz veining and silicification. These holes were drilled on magnetic highs indicated in the 2004 airborne survey and successfully confirmed intrusive activity in this area. Gold values, while commonly anomalous, were not economic, although the bottom 8.6 metres of HW-603 (the most northerly drill hole) returned 0.39 g/t gold. A large area of the “E” grid magnetic anomaly, covered with overburden and continuing to the north, remains untested.

The fourth and fifth holes, HW-604 and HW-605, were drilled approximately two kilometres further to the south and encountered potassic altered alkalic porphyry intruding Proterozoic sediments. Gold mineralization was not significant.

The sixth and final hole, HW-606, located on the western side of the Howell “A” grid (eastside of property), was successful throughout and encountered mineralized dolomite grading 0.42 g/t gold over the last 42.7 metres, bottoming at 66.5 metres in dolomite grading 0.44 g/t. Hole HW-606, is also significant because it started in the less prospective Proterozoic siltstone before encountering the preferred Paleozoic carbonate host at 24 metres. HW-606 expands the prospective area for carbonate hosted disseminated gold mineralization both at depth and to the west. Previous holes in the “A” Grid have included hole HRC-25 with 58 metres grading 1.23 g/t gold including 9 metres grading 2.99 g/t gold and hole 02-3 with 82 metres grading 0.65 g/t gold.

The Howell Creek property is underlain by a thick sequence of Paleozoic carbonate and clastic rocks and older Proterozoic sediments. Mid-Cretaceous syenite and trachyte intrusions occurring as sills, dykes, plugs and diatremes intrude these units. Gold mineralization occurs disseminated in limestone and with

quartz stockworks in syenite intrusives and Proterozoic sediments.

The Howell property consists of eleven mineral claims totaling 4,300 hectares (11,600 acres.) In 2004, La Quinta signed an option agreement with Eastfield Resources Ltd, giving La Quinta the option to earn a 60% interest in the Howell Property by making \$220,000 in payments, issuing 150,000 shares and funding \$900,000 in exploration before Dec 2008. To date, La Quinta has completed approximately \$450,000 in exploration expenditures on the Howell and Crowsnest Properties.

On June 23, 2006, the Company acquired an option to earn a 100% interest in the La Virgen/Sanson property (formerly Orofino) near Hermosillo, Sonora, Mexico. The La Virgen/Sanson property totals some 5,000 HA and has at least six major surface gold occurrences. These areas have been worked for high grade gold in the past and the vendors of the property have heap leached about 60,000 tonnes of broken mineralized material that was reported to have contained up to 7.0 g/t gold, giving a clear indication of the potential of the project area.

A modest exploration program of \$200,000 US is currently underway having started in January 2007. Work has included surface mapping, sampling, bulldozer trenching and a program of target generation around existing and new gold occurrences. This program will lead to a program of Reverse Circulation (R/C) drilling most probably commencing in June 2007, subject to the results of the current program and appropriate funding.

During the last quarter of 2006, the Company conducted a further review and site visit of the Congo exploration permits and other potential Congo acquisitions. The Company has contracted for a 43-101 report on the larger 32 claim area and is currently completing an independent geological report on the Kampene Project. La Quinta has received a formal notice of extension of the due diligence period on the 32 claim block belonging to WBK because of the lawsuit detailed in Section 1.2.

1.7 LIQUIDITY AND CAPITAL RESOURCES

The Company is in the mineral exploration and development business and is exposed to a number of risks and uncertainties inherent in the resource exploration and extraction industry. This activity is capital intensive at all stages and subject to the fluctuations in commodity prices, market sentiment, currencies, inflation and other risks. The Company currently has no sources of revenue, and relies primarily on equity financings to fund its exploration, development and administrative activities. Material increases or decreases in liquidity will be substantially determined by the success or failure of its exploration and development activities, as well as its continued ability to raise capital. The Company is not aware of any trends, demands, commitments, events or uncertainties that may result in its liquidity either materially increasing or decreasing at present or in the foreseeable future, other than normal expected operating and administrative costs.

On August 25, 2006, the Company completed a private placement of 2,415,000 units at a price of 0.20 per unit, raising \$483,000. Proceeds of the placement are for general working capital and closing the option of the Company's Mexican gold property. On November 10, 2006 the Company closed a placement of 3,120,000 units at \$0.40 per unit raising an additional \$1,248,000. Proceeds of this placement are targeted for the Congo exploration licences of other Congo assets that may be acquired by the La Quinta-WBK Joint Venture. On April 18th, 2007, the Company announced that it has agreed a non brokered private placement for \$2,250,000 for sale to accredited investors. The terms of the private placement are the sale of 4.5 million units consisting of one share and one half share purchase warrant for a unit price of

50 cents (\$0.50) per unit. Two half share purchase warrants entitle the holder to purchase one share in the Company at an exercise price of 70 cents (\$0.70) per full share purchase warrant. Warrants will be exercisable up to twelve months after the date of closure of the placement. The amount of the non brokered private placement was subsequently increased to \$2,560,000 on 27th of April 2007 to cater for over subscription. No other terms were changed.

Eight percent (8%) finders fees will be paid to accredited brokers or financial institutions. Eight percent (8%) finders fee warrants will also be granted to accredited brokers or financial institutions at an exercise price of 70 cents per share; exercisable up to twelve months from the date of closure of the placement. It is expected that the financing will close on 1st of May 2007. Assuming sale of all the units and exercise of the associated warrants, then the Company could expect to receive up to \$4 million in net proceeds of this funding and prior unexercised warrants within 1 year of this issue. The Company will use the funds for exploration expenditures in DRC, Mexico and general working capital.

The Company's current working capital commitments include \$40,000 per month for management and consulting fees. Additional general and administrative costs are budgeted at approximately \$22,000 per month. Total general and administrative costs for the balance of 2007 are budgeted to be \$188,000. This amount is higher than that incurred during the year ended December 31, 2006 in which total administrative and office expenditures were \$293,495, as with the increased number of properties in the Companies portfolio and work commencing in DRC, the Company had to increase staffing and other costs in order to properly manage its affairs.

The Company's current property payments and budgeted work commitments for fiscal 2007 are summarized as follows:

	Howell	Crowsnest	Mexico	DRC
Property payment	\$20,000	\$20,000	\$65,000 US	\$225,000 US
Budgeted exploration costs	\$nil	\$nil	\$450,000 US	\$1,750,000 US
Total net cash requirements	\$20,000	\$20,000	\$515,000 US	\$1,975,000 US

Given the working capital as at December 31, 2006 of \$916,127, the Company has recently arranged a non brokered Private Placement to raise \$2.56 million, which with warrant exercise will provide sufficient working capital for its current property mix. Additional funding may be required, however, in order to maintain and expand its property interests and continue with a sensible and measured program of exploration on the current properties and new properties considered by management to be worthy.

1.8 OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements at the time of this management discussion and analysis.

1.9 RELATED PARTY TRANSACTIONS

The Company has entered into a management contract with the President of the Company for management services and is required to pay up to \$10,000 per month under the terms of the contract. The contract expires January 31, 2009. During the year ended December 31, 2006 the Company paid \$10,988 in property examination costs and \$71,050 in management fees pursuant to this contract.

The Company has entered into a management contract with an officer and Director of the Company for management services and is required to pay up to \$15,000 per month under the terms of the contract. The contract expires January 31, 2009. During the year ended December 31, 2006 the Company paid \$89,710 in property examination costs pursuant to this Contract

In addition to the above the Company was charged or accrued professional fees of \$9,000 and deferred exploration expenditures of \$394,1914 by directors, officers, or Companies with a common director.

There are no other related party contracts.

1.10 FINANCIAL INSTRUMENTS

As at December 31, 2006 the Company's financial instruments consist of cash and cash equivalents, short term investments, amounts receivable, and accounts payable and accrued liabilities. The fair value of these financial instruments approximate carrying value since they are short term in nature and are receivable or payable on demand.

1.11 FOURTH QUARTER

	THREE MONTHS ENDED DECEMBER 31	
	2006	2005
EXPENSES		
Amortization	\$ 3,640	\$ 365
Bank charges and interest	631	248
Consulting	(3,942)	-
Property investigation	31,996	-
Management fees	21,050	15,000
Office and miscellaneous	14,759	703
Professional fees	76,722	66,844
Rent	(1,916)	2,423
Shareholder communication	35,486	13,682
Stock based compensation	-	-
Telephone	8,427	-
Transfer, regulatory and sponsorship fees	10,563	13,797
Travel	25,821	-
Loss Before The Following Item	(223,236)	(113,062)
Interest Income	15,284	-
Loss Before Income Taxes	(207,952)	(102,887)
Future Income Tax Recovery	15,142	10,175
Loss for the period	\$ (192,810)	\$ (92,712)
Basic and fully diluted earnings per share	\$ (0.01)	\$ (0.01)
Weighted average Number of shares outstanding during the period	14,007,356	9,238,000

The loss for the quarter ended December 31, 2006 was \$192,810 compared to \$92,712 for the prior comparative period. The main reasons for the increase in the loss were an increase in property examination costs to \$31,996 from \$nil (2005) an increase in travel expenses to \$25,821 from \$nil and an increase in telecommunications costs to \$8427 from \$nil. These increases were the result of the Company actively pursuing properties to explore and develop. As a result of increased investor relations activity and Corporate financing activity Shareholder communications costs increased to \$35,486 from \$13,682. Office and administrative expenses increased to \$14,759 compared to \$703 as a result of the Company being more active in the current period compared to the prior year.

1.12 CRITICAL ESTIMATES

In calculating the future tax benefit realized on the sale of flow through shares a tax rate of 34% was used.

The Company annually reviews the carrying value of its properties, which are currently unproven, by reference to the timing of exploration and development work, the work programs and the results achieved on the project. Where impairment occurs a charge to earnings would be made.

It should be noted that the recoverability of the amounts shown for mineral properties are dependent upon the existence of economically recoverable reserves, maintaining title and beneficial interest in the properties, the ability of the Company to obtain necessary financing to bring the reserves into production, and upon future profitable production or proceeds from the disposition of properties. The amount shown represents net costs to date, less amounts depleted or written off and amounts realized from option payments received, and does not necessarily represent present or future values.

1.13 ACCOUNTING POLICIES

The Company did not adopt any new accounting policies during the fiscal year ended December 31, 2006.

Additional information is available on SEDAR at www.sedar.com. And at the Company's web site at www.laquintaresources.com

1.14 ADDITIONAL INFORMATION FOR VENTURE ISSUER'S WITHOUT SIGNIFICANT REVENUE

EXPENDITURES MADE IN THE QUARTER ON MINERAL PROPERTIES

Howell Property, British Columbia

	2006 CDN \$	2005 CDN \$
Acquisition Costs		
Opening balance	31,098	11,548
Option payments	422	3,050
Closing balance	31,520	14,598
Exploration Costs		
Opening balance	260,570	104,374
Administration	4,040	-
Assay costs	2,111	756
Drilling costs	53,956	-
Engineering	62,045	2,864
Exploration advances	(100,000)	-
Field and camp costs	178,280	-
Geophysical costs	137	-
Reports, maps, fees and licenses	446	94
Travel	10,002	3,714
Closing balance	471,587	108,088

1.14 ADDITIONAL INFORMATION FOR VENTURE ISSUER'S WITHOUT SIGNIFICANT REVENUE (con't)

Crowsnest Property, British Columbia

	2006	2005
	CDN \$	CDN \$
Acquisition Costs		
Opening balance	51,040	12,000
Option payments	3,359	17,540
Closing balance	<u>54,399</u>	<u>29,540</u>
Exploration Costs		
Opening balance	116,073	9,562
Administration	1,854	-
Assays	10,001	909
Engineering	23,198	161
Exploration advances	(45,267)	-
Field and camp costs	35,725	3,087
Claim maintenance fees	-	-
Reports, maps, fees and licenses	(3,185)	3,870
Travel	9,853	-
Closing balance	<u>148,252</u>	<u>17,589</u>

La Virgen/Sanson Property, Sonora, Mexico (formerly Orofino)

	2006	2005
	CDN \$	CDN \$
Acquisition Costs		
Opening balance	51,040	-
Option payments	38,098	-
Closing balance	<u>89,138</u>	<u>-</u>
Exploration Costs		
Opening balance	17,276	-
Engineering	6,060	-
Reports and maps	2,657	-
Travel	2,047	-
Closing balance	<u>28,040</u>	<u>-</u>

1.14 ADDITIONAL INFORMATION FOR VENTURE ISSUER'S WITHOUT SIGNIFICANT REVENUE (con't)

Maniema – South Kivu Gold Belt, Congo

	2006 CDN \$	2005 CDN \$
Acquisition Costs		
Opening balance	84,120	-
Option payments	-	-
Closing balance	<u>84,120</u>	<u>-</u>
Exploration Costs		
Opening balance	285,627	-
Administration	1,588	
Engineering costs	487	-
Closing Balance	<u>287,702</u>	<u>-</u>

1.15 SCHEDULE OF SHARE CAPITAL

	As of the date of this Management Discussion and Analysis
Common Shares outstanding	16,565,580
Options outstanding	1,170,000
Warrants outstanding	1,560,000
Fully diluted share capital	19,295,580

1.16 DISCLOSURE CONTROLS AND PROCEDURES

As at December 31, 2006, the Company carried out an evaluation of the effectiveness of its disclosure controls and procedures as required by Canadian securities laws. Based on this evaluation, management has concluded that the Company's disclosure control and procedures were effective to provide reasonable assurance that information required to be disclosed in the Company's annual filings and interim filings and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws, and that material information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

The Company has designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in Canada.

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