

Stargold Mines, Inc.  
Form 10QSB  
May 16, 2007

U.S. SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-QSB  
(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the quarter ended March 31, 2007

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 0-51197

STARGOLD MINES, INC.

(Exact name of small business issuer as specified in its charter)

Nevada  
(State of incorporation)

98-0400208  
(IRS Employer ID Number)

1840 Gateway Drive  
Suite 200  
San Mateo, California 94404  
(Address of principal executive offices)

(604) 673-8427  
(Issuer's telephone number)

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(Former name, former address and former fiscal year, if changed since last report)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES  NO

Number of shares of common stock outstanding as of May 15, 2007: 81,108,200 shares of common stock.

Transitional Small Business Format Yes  No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  
YES  NO

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**TABLE OF CONTENTS**

|                                                                     | Page |
|---------------------------------------------------------------------|------|
| <b>PART I</b>                                                       |      |
| Item 1. Financial Statements                                        | 3    |
| Item 2. Management's Discussion and Analysis or Plan of Operation   | 4    |
| Item 3 Controls and Procedures                                      | 6    |
| <b>PART II</b>                                                      |      |
| Item 1. Legal Proceedings                                           | 7    |
| Item 2. Unregistered Sales of Equity Securities and Use of Proceeds | 7    |
| Item 3. Defaults Upon Senior Securities                             | 8    |
| Item 4. Submission of Matters to a Vote of Security Holders         | 8    |
| Item 5. Other Information                                           | 8    |
| Item 6. Exhibits                                                    | 8    |

PART I - FINANCIAL INFORMATION

**Item 1. Financial Statements.**

**STARGOLD MINES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**FINANCIAL STATEMENTS**  
**THREE MONTHS ENDED MARCH 31, 2007 AND 2006**  
**UNAUDITED**

**CONTENTS**

|                                                                |               |
|----------------------------------------------------------------|---------------|
| Report of Independent Registered Public Accounting Firm        | <b>1</b>      |
| Report of Independent Registered Public Accounting Firm - 2006 | <b>2</b>      |
| Balance Sheet                                                  | <b>3</b>      |
| Statements of Operations                                       | <b>4</b>      |
| Statements of Stockholders' Equity                             | <b>5</b>      |
| Statements of Cash Flows                                       | <b>6</b>      |
| Notes to Financial Statements                                  | <b>7 - 14</b> |

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Stockholders of  
**Stargold Mines, Inc.**

We have reviewed the accompanying balance sheet of **Stargold Mines, Inc.** (a development stage company) (the "Company") as of March 31, 2007 and the related statements of operations, stockholders' equity and cash flows for the three month period ended March 31, 2007. These interim financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to such interim financial statements referred to above for them to be in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has incurred losses since inception which raises substantial doubt about the Company's ability to continue as a going concern. Management's plan regarding this matter is also described in Note 1 to the financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**"SF PARTNERSHIP, LLP"**

**Toronto, Canada**  
May 11, 2007

**CHARTERED ACCOUNTANTS**

F-1

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors of  
Sockeye Seafood Group, Inc. (A Development Stage Company)

We have reviewed the accompanying balance sheet of Sockeye Seafood Group, Inc. (a development stage company) (the "Company") as of March 31, 2006 and the related statements of operations, stockholders' equity and cash flows for the three month period ended March 31, 2006. These interim financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to such interim financial statements referred to above for them to be in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has incurred losses since inception which raises substantial doubt about the Company's ability to continue as a going concern. Management's plan regarding this matter is also described in Note 1 to the financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**/s/ Armando C. Ibarra, CPA**

Chula Vista, CA

May 1, 2006

F-2

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**STARGOLD MINES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**

Balance Sheet  
 March 31, 2007  
 Unaudited

| <b>ASSETS</b>                                                          |                     |
|------------------------------------------------------------------------|---------------------|
| <b>Current</b>                                                         |                     |
| Cash                                                                   | \$ 10,327           |
| <b>Total Current Assets</b>                                            | <b>10,327</b>       |
| <b>Loan Receivable (note 3)</b>                                        | <b>1,000,000</b>    |
| <b>Total Assets</b>                                                    | <b>\$ 1,010,327</b> |
| <b>LIABILITIES</b>                                                     |                     |
| <b>Current</b>                                                         |                     |
| Accounts payable                                                       | \$ 10,532           |
| Loan payable (note 4)                                                  | 35,000              |
| <b>Total Current Liabilities</b>                                       | <b>45,532</b>       |
| <b>Total Liabilities</b>                                               | <b>45,532</b>       |
| <b>Commitment (note 7)</b>                                             |                     |
| <b>STOCKHOLDERS' EQUITY</b>                                            |                     |
| <b>Capital Stock (note 5)</b>                                          |                     |
| Authorized<br>1,000,000,000 common stock, par value \$0.0001 per share |                     |
| Issued<br>81,108,200 common stock (2006 - 80,000,000)                  | 8,111               |
| <b>Additional Paid-in Capital</b>                                      | <b>1,047,709</b>    |
| <b>Subscriptions Receivable</b>                                        | <b>(5,120)</b>      |
| <b>Deficit Accumulated During the Development Stage</b>                | <b>(85,905)</b>     |
| <b>Total Stockholders' Equity</b>                                      | <b>964,795</b>      |
| <b>Total Liabilities and Stockholders' Equity</b>                      | <b>\$ 1,010,327</b> |

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

**STARGOLD MINES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**

Statements of Operations

Three Months Ended March 31, 2007, 2006 and the Period from Inception (May 21, 2003) to March 31, 2007

Unaudited

|                                                                                                           | 2007               | (Note 8)<br>2006    | Period<br>from<br>Inception<br>(May 21, 2003)<br>to March 31,<br>2007 |
|-----------------------------------------------------------------------------------------------------------|--------------------|---------------------|-----------------------------------------------------------------------|
| <b>Revenue</b>                                                                                            | \$ -               | \$ 3,822            | \$ 68,739                                                             |
| <b>Cost of Sales</b>                                                                                      | -                  | 3,259               | 60,508                                                                |
| <b>Gross Profit</b>                                                                                       | -                  | 563                 | 8,231                                                                 |
| <b>Expenses</b>                                                                                           |                    |                     |                                                                       |
| Bad debt                                                                                                  | -                  | -                   | 26,915                                                                |
| Office and general                                                                                        | 5,101              | -                   | 10,133                                                                |
| Professional fees                                                                                         | 18,161             | 2,000               | 60,988                                                                |
| <b>Total Expenses</b>                                                                                     | <b>23,262</b>      | 2,000               | 98,036                                                                |
| <b>Operating Loss</b>                                                                                     | <b>(23,262)</b>    | (1,437)             | (89,805)                                                              |
| <b>Other Income</b>                                                                                       |                    |                     |                                                                       |
| Debt forgiven                                                                                             | -                  | -                   | 5,900                                                                 |
| <b>Net Loss</b>                                                                                           | <b>\$ (23,262)</b> | <b>\$ (1,437)</b>   | <b>\$ (83,905)</b>                                                    |
| <b>Basic and Diluted Loss Per Weighted<br/>Average Number of Shares<br/>Outstanding During the Period</b> | <b>\$ (0.0003)</b> | <b>\$ (0.00002)</b> |                                                                       |
| <b>Basic Weighted Average Number<br/>of Shares During the Period</b>                                      | <b>81,013,373</b>  | <b>80,000,000</b>   |                                                                       |

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

**STARGOLD MINES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**

Statements of Stockholders' Equity  
 Periods Ended March 31, 2007 and 2006  
 Unaudited

|                                                                                                              | <b>Common<br/>Shares<br/>Number</b> | <b>Common<br/>Shares<br/>Amount</b> | <b>Additional<br/>Paid-in<br/>Capital</b> | <b>Subscriptions<br/>Receivable</b> | <b>Deficit<br/>Accumulated<br/>During the<br/>Development<br/>Stage</b> | <b>Stockholders'<br/>Equity</b> |
|--------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------------|-------------------------------------|-------------------------------------------------------------------------|---------------------------------|
| Balance, January 1,<br>2006 - as previously<br>reported                                                      | 2,000,000                           | \$ 2,000                            | \$ 43,000                                 | \$ -                                | (11,917)\$                                                              | 33,083                          |
| Restated to give<br>retroactive effect to the<br>November 23, 2006 1<br>for 40 stock split (note<br>5 and 8) | 78,000,000                          | 6,000                               | (6,000)                                   | -                                   | -                                                                       | -                               |
| Balance, January 1,<br>2006 - as restated                                                                    | 80,000,000                          | 8,000                               | 37,000                                    | -                                   | (11,917)                                                                | 33,083                          |
| Net loss for the period                                                                                      | -                                   | -                                   | -                                         | -                                   | (1,437)                                                                 | (1,437)                         |
| Balance, March 31,<br>2006                                                                                   | 80,000,000                          | \$ 8,000                            | \$ 37,000                                 | \$ -                                | (13,354)\$                                                              | 31,646                          |
| Balance, January 1,<br>2007                                                                                  | 81,000,000                          | \$ 8,100                            | \$ 1,036,900                              | \$ -                                | (62,643)\$                                                              | 982,357                         |
| Common shares issued<br>for cash (note 5)                                                                    | 83,200                              | 8                                   | 8,312                                     | (5,120)                             | -                                                                       | 3,200                           |
| Common shares issued<br>for services (note 5)                                                                | 25,000                              | 3                                   | 2,497                                     | -                                   | -                                                                       | 2,500                           |
| Net loss for the period                                                                                      | -                                   | -                                   | -                                         | -                                   | (23,262)                                                                | (23,262)                        |
| <b>Balance, March 31,<br/>2007</b>                                                                           | <b>81,108,200</b>                   | <b>\$ 8,111</b>                     | <b>\$ 1,047,709</b>                       | <b>(5,120)\$</b>                    | <b>(85,905)\$</b>                                                       | <b>964,795</b>                  |

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



**STARGOLD MINES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**

Statements of Cash Flows

Three Months Ended March 31, 2007, 2006 and the Period from Inception (May 21, 2003) to March 31, 2007

Unaudited

|                                                        | 2007             | (Restated<br>note 8)<br>2006 | Inception<br>(May 21, 2003)<br>to March 31,<br>2007 |
|--------------------------------------------------------|------------------|------------------------------|-----------------------------------------------------|
| <b>Cash Flows from Operating Activities</b>            |                  |                              |                                                     |
| Net loss                                               | \$ (23,262)      | \$ (1,437)                   | \$ (83,905)                                         |
| Adjustments for working capital:                       |                  |                              |                                                     |
| Accounts receivable                                    | -                | -                            | (5,120)                                             |
| Accounts payable                                       | (14,750)         | -                            | (11,876)                                            |
| <b>Net Cash Flows Used in Operating Activities</b>     | <b>(38,012)</b>  | <b>(1,437)</b>               | <b>(100,901)</b>                                    |
| <b>Cash Flows from Investing Activities</b>            |                  |                              |                                                     |
| Loan receivable                                        | -                | -                            | (1,000,000)                                         |
| <b>Net Cash Flows Used in Investing Activities</b>     | <b>-</b>         | <b>-</b>                     | <b>(1,000,000)</b>                                  |
| <b>Cash Flows from Financing Activities</b>            |                  |                              |                                                     |
| Issuance of common stock                               | 5,700            | -                            | 1,055,820                                           |
| Loan payable                                           | 34,760           | 2,000                        | 35,126                                              |
| <b>Net Cash Flows Provided by Financing Activities</b> | <b>40,460</b>    | <b>2,000</b>                 | <b>1,090,946</b>                                    |
| <b>Net Increase (Decrease) in Cash</b>                 | <b>2,448</b>     | <b>563</b>                   | <b>(9,955)</b>                                      |
| <b>Cash - Beginning of Period</b>                      | <b>7,879</b>     | <b>10,157</b>                | <b>-</b>                                            |
| <b>Cash - End of Period</b>                            | <b>\$ 10,327</b> | <b>\$ 10,720</b>             | <b>\$ 10,327</b>                                    |

**Supplemental Cash Flow Information**

During the period, the Company had no cash flows arising from interest and income taxes paid.

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

**STARGOLD MINES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements  
March 31, 2007 and 2006  
Unaudited

**1. Description of Business and Going Concern**

a) Description of Business

Stargold Mines, Inc. (the "Company"), formerly Sockeye Seafood Group Inc., (Sockeye Seafood Group Inc. merged with its wholly-owned subsidiary Stargold Mines, Inc. on November 23, 2006 and changed its name to Stargold Mines, Inc.) was incorporated under the laws of the State of Nevada on May 21, 2003. The Company was formed to engage in the business of procuring and marketing seafood products direct from Pacific Northwest First Nations organizations to North American and international wholesalers, distributors, and retailers.

The Company's operations have been limited to general administrative operations, purchasing a limited amount of sample inventory, minimal sales and establishing its website. The Company is considered a development stage company in accordance with Statement of Financial Accounting Standards ("SFAS") No. 7 "Accounting and Reporting by Development Stage Enterprises". The Company is currently working on acquiring licenses to develop and extract natural resources in the Siberian and Far Eastern Districts of Russia.

b) Going Concern

The Company's financial statements are presented on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company has experienced recurring losses since inception and has negative cash flows from operations that raise substantial doubt as to its ability to continue as a going concern. For the period ended March 31, 2007, the Company experienced a net loss of \$23,262 (2006 - \$1,437).

The Company's ability to continue as a going concern is contingent upon its ability to secure additional financing, achieving additional sale of its product and attaining profitable operations.

Management is pursuing various sources of equity financing. Although the Company plans to pursue additional financing, there can be no assurance that the Company will be able to secure financing when needed or obtain such on terms satisfactory to the Company, if at all.

The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

**STARGOLD MINES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements

March 31, 2007 and 2006

Unaudited

**2.**

**Summary of Significant Accounting Policies**

The accounting policies of the Company are in accordance with U.S. generally accepted accounting principles, and their basis of application is consistent with that of the previous period. Outlined below are those policies considered particularly significant:

a) **Basis of Financial Statement Presentation**

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and the requirement of item 310(b) of Regulation S-B. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Interim results are not necessarily indicative of the results that may be expected for a full year. These unaudited financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2006, as filed with the Securities and Exchange Commission ("SEC").

b) **Reporting Currency**

The U.S. dollar has been used as the unit of measurement in these financial statements.

c) **Revenue Recognition**

The Company recognizes revenues when there is a definitive sales agreement, and upon shipment of products, when title is passed and the amount collectible can reasonably be determined.

d) **Financial Instruments**

Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of the financial instruments approximates their carrying values, unless otherwise noted.

F-8

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**STARGOLD MINES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements

March 31, 2007 and 2006

Unaudited

**2. Summary of Significant Accounting Policies (cont'd)**

e) Comprehensive Income (Loss)

The Company adopted SFAS No. 130, "Reporting Comprehensive Income" ("SFAS No. 130"). SFAS No. 130 establishes standards for reporting and presentation of comprehensive income (loss) and its components in a full set of financial statements. Comprehensive income is presented in the statements of operations, and consists of net income and unrealized gains (losses) on available for sale marketable securities; foreign currency translation adjustments and changes in market value of future contracts that qualify as a hedge; and negative equity adjustments recognized in accordance with SFAS No. 87. SFAS No. 130 requires only additional disclosures in the financial statements and does not affect the Company's financial position or results of operations.

f) Income Tax

The Company accounts for income taxes pursuant to SFAS No. 109, "Accounting for Income Taxes" ("SFAS No. 109"). Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

g) Earnings (Loss) per Share

The Company adopted SFAS No.128, "Earnings per Share" which requires disclosure on the financial statements of "basic" and "diluted" earnings (loss) per share. Basic earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of common shares outstanding for the year. Diluted earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of common shares outstanding plus common stock equivalents (if dilutive) related to convertible bonds, stock options and warrants for each year. As the warrants were anti-dilutive, there was no adjustment to the basic loss per share.

F-9

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**STARGOLD MINES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements

March 31, 2007 and 2006

Unaudited

**2. Summary of Significant Accounting Policies (cont'd)**

h) Concentration of Credit Risk

SFAS No. 105, "Disclosure of Information About Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments with Concentration of Credit Risk", requires disclosure of any significant off-balance-sheet risk and credit risk concentration. The Company does not have significant off-balance-sheet risk or credit concentration.

The Company provides credit to its clients in the normal course of its operations. It carries out, on a continuing basis, credit checks on its clients and maintains provisions for contingent credit losses that, once they materialize, are consistent with management's forecasts.

For other receivables, the Company determines, on a continuing basis, the probable losses and sets up a provision for losses based on the estimated realizable value.

Concentration of credit risk arises when a group of clients having a similar characteristic such that their ability to meet their obligations is expected to be affected similarly by changes in economic or other conditions. The Company does not have any significant risk with respect to a single client.

i) Use of Estimates

Preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to financial statements. These estimates are based on management's best knowledge of current events and actions the Company may undertake in the future. Actual results may ultimately differ from those estimates, although management does not believe such changes will materially affect the financial statements in any individual year.

**STARGOLD MINES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements  
March 31, 2007 and 2006  
Unaudited

**2. Summary of Significant Accounting Policies (cont'd)**

j) Recent Accounting Pronouncements

In February 2007, Financial Accounting Standards Board ("FASB") issued SFAS No. 159, "The Fair Value Option for Financial Assets and Liabilities" ("SFAS No. 159"), which permits entities to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value. An entity would report unrealized gains and losses on items for which the fair value option has been elected in earnings at each subsequent reporting date. The objective is to improve financial reporting by providing entities with the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. The decision about whether to elect the fair value option is applied instrument by instrument, with a few exceptions; the decision is irrevocable; and it is applied only to entire instruments and not to portions of instruments.

The statement requires disclosures that facilitate comparisons (a) between entities that choose different measurement attributes for similar assets and liabilities and (b) between assets and liabilities in the financial statements of an entity that selects different measurement attributes for similar assets and liabilities.

SFAS No. 159 is effective for for fiscal years beginning after November 15, 2007. Early adoption is permitted as of the beginning of a fiscal year provided the entity also elects to apply the provisions of SFAS No. 157 "Fair Value Measurements". Upon implementation, an entity shall report the effect of the first remeasurement to fair value as a cumulative-effect adjustment to the opening balance of retained earnings. Since the provisions of SFAS No. 159 are applied prospectively, any potential impact will depend on the instruments selected for fair value measurement at the time of implementation.

**3. Loan Receivable**

The loan receivable from UniverCompany Limited Liability Company, a Russian limited liability society ("UniverCompany"), is non-interest bearing, unsecured and has no specified terms for repayment. See note 7.

**STARGOLD MINES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements  
 March 31, 2007 and 2006  
 Unaudited

**4. Loan Payable**

The loan payable to Blue Water Partners is non-interest bearing, unsecured and has no specified terms of repayment.

**5. Capital Stock**

Authorized  
 1,000,000,000 common stock, par value \$0.0001 per share

|                                             | <b>2007</b>     | (Restated<br>Note 8)<br>2006 |
|---------------------------------------------|-----------------|------------------------------|
| Issued                                      |                 |                              |
| 81,108,200 common stock (2006 - 80,000,000) | \$ <b>8,111</b> | \$ 8,000                     |

On November 23, 2006, the Company implemented a one for forty (1:40) forward stock split and increased its authorized shares of common stock on a corresponding basis. The 2006 comparative number of shares have been retroactively adjusted to give effect to the stock split.

On December 19, 2006 the Company issued 1,000,000 units of the Company's securities, each unit consisting of one share of common stock and one share purchase warrant for total proceeds of \$1,000,000. Each warrant is exercisable for one share of common stock at an exercise price of \$2.50 for two years from the date of issuance. Due to the substantial difference between market value and exercise price no value has been attributed to the warrants.

In March 2007, the Company issued 25,000 shares for services valued at \$2,500.

In March 2007, the Company issued 83,200 shares for cash of \$8,320.

**STARGOLD MINES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements

March 31, 2007 and 2006

Unaudited

**6. Income Taxes**

The Company accounts for income taxes pursuant to SFAS No. 109. This standard prescribes the use of the liability method whereby deferred tax asset and liability account balances are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates. The effects of future changes in tax laws or rates are not anticipated.

Under SFAS No. 109 income taxes are recognized for the following: a) amount of tax payable for the current year, and b) deferred tax liabilities and assets for future tax consequences of events that have been recognized differently in the financial statements than for tax purposes.

The provision for income taxes has been computed as follows:

|                                                                       | 2007       | 2006     |
|-----------------------------------------------------------------------|------------|----------|
| Expected income tax recovery at the statutory rate - 31% (2006 - 31%) | \$ (7,304) | \$ (451) |
| Valuation allowance                                                   | 7,304      | 451      |
| Provision for income taxes                                            | \$ -       | \$ -     |

The Company has tax losses available to be applied against future years income. Due to the losses incurred in the current period and expected future operating results, management determined that it is more likely than not that the deferred tax asset resulting from the tax losses available for carryforward and stock option compensation expense will not be realized through the reduction of future income tax payments, accordingly a 100% valuation allowance has been recorded for deferred income tax assets.

As of March 31, 2007 and 2006, the Company had approximately \$19,600 and \$3,700 respectively, of federal and state net operating loss carryforwards available to offset future taxable income. The losses expire in 20 years from the date the loss was incurred.

|             |           |
|-------------|-----------|
| Expiry 2025 | \$ 3,700  |
| Expiry 2026 | 19,600    |
|             | \$ 23,300 |



**STARGOLD MINES, INC.**  
**(A DEVELOPMENT STAGE COMPANY)**

Notes to Financial Statements

March 31, 2007 and 2006

Unaudited

**7. Commitment**

On November 30, 2006, the Company entered into a stock purchase agreement with UniverCompany, and the two shareholders of UniverCompany. Pursuant to the stock purchase agreement, the Company agreed to purchase from the shareholders of UniverCompany 100% of the issued and outstanding shares of common stock of UniverCompany. In consideration thereon, the Company will issue to the shareholders of UniverCompany 41,000,000 shares of the Company's common stock.

The consummation of above transactions will take place at a closing to be held at a later date. Such closing will not take place until certain conditions have occurred.

**8. Comparative Figures and Restatement**

Certain figures for the prior period have been reclassified to conform with the current period's financial statement presentation.

The stockholders' equity has been retroactively restated to give effect to the 1 for 40 stock split as described in note 5.

F-14

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**Item 2. Management’s Discussion and Analysis or Plan of Operations.**

As used in this Form 10-QSB, references to the "Company," "we," "our" or "us" refer to Stargold Mines, Inc. unless the context otherwise indicates.

Forward-Looking Statements

The following discussion should be read in conjunction with our financial statements, which are included elsewhere in this Form 10-QSB. This Form 10-QSB contains forward-looking statements which relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as “may”, “should”, “expects”, “plans”, “anticipates”, “believes”, “estimates”, “predicts”, “potential” or “continue” or the negative of the other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties, and other factors that may cause our or our industry’s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Overview

We were incorporated under the laws of the State of Nevada on May 21, 2003 under the name Sockeye Seafood Group, Inc. On November 13, 2006, we entered into a Plan and Agreement of Merger with our wholly-owned subsidiary, Stargold Mines, Inc., a Nevada corporation (the "Subsidiary"). The Subsidiary had no assets or liabilities and no previous operating history; it was formed by us on November 8, 2006 for the sole purpose of entering into the merger.

The merger was consummated on November 23, 2006. On that date, we filed with the Secretary of State of Nevada Articles of Merger, pursuant to which the Subsidiary merged with and into us in accordance with the Plan of Merger. Pursuant to the Articles of Merger, we also changed our name from "Sockeye Seafood Group, Inc." to "Stargold Mines, Inc."

Simultaneously with its merger with Stargold Mines, Inc., we filed with the Secretary of State of Nevada a Certificate of Change, effective as of November 23, 2006, pursuant to which we implemented a one for forty (1:40) forward stock split and increased our authorized shares of common stock on a corresponding basis. The number of shares of common stock issued and outstanding prior to the forward split was 2,000,000 shares. After the forward split, the number of shares of common stock issued and outstanding was 81,000,000 shares. The Certificate of Change also increased the number of authorized shares of common stock on a one for forty (1:40) basis, from 25,000,000 shares, par value \$0.001, to 1,000,000,000 shares, par value \$0.0001.

Since inception, we have had an insignificant amount of revenues. Our operations have been limited to general administrative operations. We are considered a development stage company in accordance with Statement of Financial Accounting Standards No. 7.

#### Our Business

Currently, we have no assets, operations, business or contractual arrangements other than the execution of a Stock Purchase Agreement entered into on November 30, 2006. Pursuant to this with UniverCompany Limited Liability Company, a Russian limited liability society ("UniverCompany"), and the former shareholders of UniverCompany (the "UniverCompany Shareholders"), we agreed to purchase from the UniverCompany Shareholders 100% of the issued and outstanding shares of common stock of UniverCompany in exchange for shares of the Registrant's common stock. Although the agreement with the UniverCompany Shareholders provides that the consideration for their shares will be the issuance by us of 41,000,000 shares, it is contemplated that we will issue 15,000,000 shares for the UniverCompany shares. It has been represented to us that UniverCompany owns a license to the "Karon" gold deposit, which includes both precious metals and scarce resources such as copper, lead and tin.

In December 2006 we received \$1,000,000 gross proceeds from the sale of 1,000,000 units to Hampton Park Capital LLC. Each unit consisted of one share of common stock and one share purchase warrant, exercisable for one share of common stock at an exercise price of US\$2.50 for two years from the date of issuance. The \$1,000,000 raised by us was lent to UniverCompany on an unsecured basis, with no specific terms for repayment.

The consummation of the acquisition of UniverCompany is subject to certain conditions. We cannot assure you that those conditions will be satisfied or waived by us.

### Plan of Operation

We do not expect to generate any revenues over the next twelve months. Our principal business objective for the next 12 months will be to successfully consummate the proposed acquisition of UniverCompany. If we are not successful, we will then have to seek, investigate and, if such investigation warrants, engage in a business combination with another private entity whose business presents an opportunity for our shareholders.

During the next 12 months we anticipate incurring costs related to the proposed acquisition of UniverCompany and the filing of Exchange Act reports. We believe we will be able to meet these costs through funds to be loaned by or invested in us by our stockholder, management or other investors. We have no specific plans, understandings or agreements with respect to the raising of such funds, and we may seek to raise the required capital by the issuance of equity or debt securities or by other means. Since we have no such arrangements or plans currently in effect, our inability to raise funds for the consummation of an acquisition may have a severe negative impact on our ability to become a viable company.

As of March 31, 2007, we had \$10,327.00 in cash. We incurred a net loss of \$23,262.00 for the period January 1, 2007 to March 31, 2007.

### Going Concern Consideration

The condensed financial statements contained in this Report have been prepared on a 'going concern' basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. For the reasons discussed in this Report, there is a significant risk that we will be unable to continue as a going concern, in which case, you would suffer a total loss on your investment in our company.

### Off-Balance Sheet Arrangements

None.

## **Item 3. Controls and Procedures.**

### Evaluation of Disclosure Controls and Procedures

Our disclosure controls and procedures are designed to ensure that information required to be disclosed in reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the United States Securities and Exchange Commission. Our Chief Executive Officer and Chief Financial Officer have reviewed the effectiveness of our "disclosure controls and procedures" (as defined in the Securities Exchange Act of 1934 Rules 13a-14(c) and 15d-14(c)) within the end of the period covered by this Quarterly Report on Form 10-QSB and have concluded that the disclosure controls and procedures are effective to ensure that material information relating to the Company is recorded, processed, summarized, and reported in a timely manner. There were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the last day they were evaluated by our Chief Executive Officer and Chief Financial Officer.

Changes in Internal Controls over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the last quarterly period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

**PART II. OTHER INFORMATION**

**Item 1. Legal Proceedings.**

There are no pending legal proceedings to which the Company is a party or in which any director, officer or affiliate of the Company, any owner of record or beneficially of more than 5% of any class of voting securities of the Company, or security holder is a party adverse to the Company or has a material interest adverse to the Company. The Company's property is not the subject of any pending legal proceedings.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

In March 2007, we sold 83,200 shares of our common stock at a purchase price of \$0.10 per share, amounting in the aggregate purchase price \$8,320. The shares were offered and sold pursuant to a placement held under Regulation D promulgated under the Securities Act of 1933, as amended. Each purchaser represented to us that such purchaser was an accredited investor as that term is defined in Rule 501(a) of Regulation D.

Purchases of equity securities by the issuer and affiliated purchasers

None.

7

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**Item 3. Defaults Upon Senior Securities.**

None.

**Item 4. Submission of Matters to a Vote of Security Holders.**

There was no matter submitted to a vote of security holders during the fiscal quarter ended March 31, 2007.

**Item 5. Other Information.**

None.

**Item 6. Exhibits**

| Exhibit No. | Description                            | Where Found     |
|-------------|----------------------------------------|-----------------|
| 31.1        | Rule 13a-14(a)/15d14(a) Certifications | Attached Hereto |
| 32.1        | Section 1350 Certifications            | Attached Hereto |

8

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SIGNATURES

In accordance with to requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: May 14, 2007

STARGOLD MINES, INC.

By: /s/ Marcus U. Segal

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Name: Marcus U. Segal  
Title: President, Chief Executive Officer, Secretary  
Chief Financial Officer and Director  
(Principal Executive, Financial, and  
Accounting Officer)