



HIGHLIGHTS

<i>(Thousands, except per share amounts)</i>	Three Months Ended March 31		
	2006	2005	(Restated) 2004
Earnings	\$ 5,100	\$ 6,642	\$ (3,401)
per share	\$ 0.41	\$ 0.54	\$ (0.28)
Share capital	\$ 1,976	\$ 1,840	\$ 1,768
Retained earnings	\$ 84,900	\$ 54,615	\$ 47,906
Shareholders' equity	\$ 87,152	\$ 56,455	\$ 49,750
Shares outstanding	12,377	12,320	12,332
Net asset value, per share (diluted)	\$ 6.86	\$ 4.50	\$ 3.04

TO THE SHAREHOLDERS

I am pleased to report on another successful quarter for Humboldt.

During the three months ended March 31, 2006, Humboldt reported earnings of \$5.1 million, or \$0.41 per share compared with \$6.6 million, or \$0.54 per share for the same period in 2005.

The net asset value of Humboldt's shares reached \$6.86 per share at March 31, 2006, an increase of 52.4% over the value of \$4.50 per share, one year earlier.

High commodity prices and a robust equity market fueled the Company's growth over the past year.

Humboldt's Investment Holdings

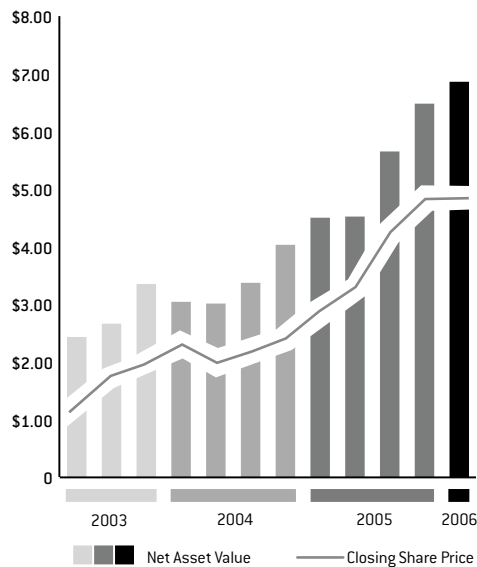
Humboldt is an investment company with the majority of its holdings in the junior oil and gas sector. Humboldt also has investments in larger, more established energy companies, in exploration companies with international assets, in the energy services sector and in the mining industry.

In addition, Humboldt has investments in Humboldt Energy Fund, a wholly owned managed fund focused on the oil and gas industry. The investment results of Humboldt Energy Fund continue to be very satisfactory, with the fund's value increasing to \$8.3 million at March 31, 2006, from \$6.3 million in the prior year.

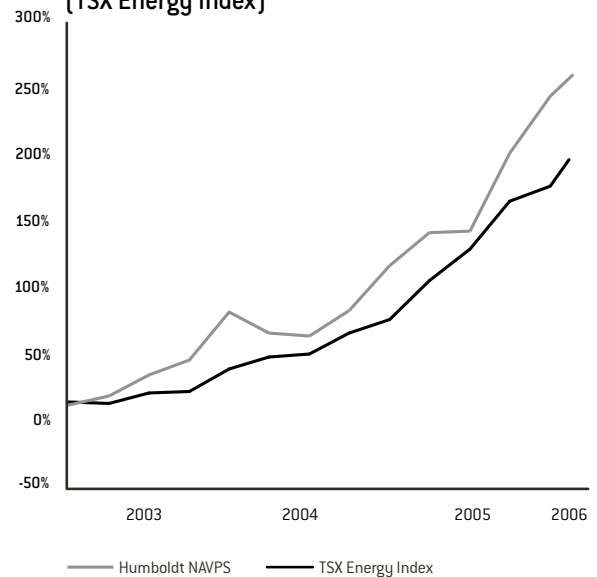
A fundamental part of Humboldt's business plan has been to assist in the financing and growth of those companies in which it holds significant interests by way of equity purchases and loans. At March 31, 2006, Humboldt had advanced \$2.6 million to Sharon Energy Ltd, a company in its portfolio. These funds were used to accelerate Sharon's active exploration program in Texas to improve its growth potential. Humboldt anticipates that these advances will be repaid from cash flow or from further equity financing by Sharon.



Net Asset Value per Share and Closing Share Price



Comparative Growth in Net Asset Value per Share (NAVPS) and the TSX Composite Index—Energy (TSX Energy Index)



The Economy and the Markets

The U.S. economy continues to grow, fueled by relatively low interest rates and a low U.S. dollar. The impact of this growth has helped increase oil prices during the year and has increased pressure on the supply of a number of metals including copper, nickel and zinc. Of great significance, however, is the emergence of growing demand for industrial commodities in the rapidly expanding economies of China and India. The European economy has been lagging to date but now, in 2006, appears to be in a recovery phase.

As a result of these upward commodity trends, concerns are emerging regarding an increase in U.S. inflation, which would give rise to further increases in North American interest rates. While rates are too low at present to negatively affect continuing growth, a continuation of this trend could result in an economic slow down in 2007.

Significant supply problems, higher demand and continued supply uncertainties due to political problems in the Middle East have resulted in oil prices in excess of \$65.00 U.S. per barrel.

Natural gas prices rose to over \$12.00 per Mcf last winter due to supply constraints. Since then, however, the extremely mild winter has resulted in gas prices declining to near \$6.00 per Mcf. Of further concern in the short term is the steady increase in year-over-year gas storage in the U.S. and Canada as well as a steadily rising trend of wells being drilled for natural gas targets. Humboldt's view is that this drilling trend must decline before gas prices start to recover and it appears likely that the current lower gas pricing will result in an exploration slowdown during the summer.

Humboldt's investments in metal exploration companies, especially copper and zinc, relate to the steady depletion of inventory levels in various markets. Over the past two years, copper and zinc supplies have dropped to near historic levels and this has resulted in great increases in the price of both metals. Humboldt anticipates that this situation will continue until demand is impaired by a slow down in economic growth or until there is an increase in supply from new mines being placed into production. Neither of these events is likely in the short term.



The recent stock market correction, while of some short term concern, can be attributed to seasonal factors, a recent interest rate increase, as well as concerns regarding future inflation. In addition, commodity markets in the early spring had clearly become overheated and stocks are readjusting to more reasonable levels. During this phase, Humboldt will continue to review and modify its portfolio to focus on sound companies with achievable growth targets.

Stock Valuation and Share Buyback

At the end of the first quarter of 2006, Humboldt's net asset value, after tax, totaled \$87.2 million, or \$6.86 per share, on a fully diluted basis. This value represents a 54% increase from the \$4.50 per share value reported last year. Humboldt has a program in place to repurchase its shares in the marketplace, however, during the three months ended March 31, 2006, the Company did not repurchase any of its common shares.

Outlook

Humboldt believes that the North American economy will continue to grow and that oil and gas prices and base metal prices will continue to increase in value. Increasing demand from China is likely to put increased price pressure on all commodities. Over the short term, commodity prices and share values will continue to be volatile.

Some concern about the growth in equity prices relates to the continuing United States twin deficits, trade and budget, and the weakening of the U.S. dollar. Management believes the current correction in North American stock markets will likely last through the early summer but will resume an upward trend as long as interest rates continue to rise at a moderate rate.

As a result of the foregoing, Humboldt plans to steadily increase its liquidity during the year and to continue its focus on removing debt levered companies from its portfolio.

Finally, despite these concerns, the Company remains optimistic about the outlook for 2006 as Humboldt's portfolio has been carefully selected for growth at reasonable prices.

On behalf of the Board,

{signed}

"R.W. Lamond"
Chairman of the Board

May 19, 2006

MANAGEMENT'S DISCUSSION AND ANALYSIS

May 19, 2006

The following discussion and analysis is management's assessment of Humboldt's historical, financial and operating results, together with future prospects, and should be read in conjunction with the unaudited consolidated financial statements of the Company for the three months ended March 31, 2006 and the audited financial statements at December 31, 2005. The reader should be aware that historical results are not necessarily indicative of future performance.

Forward-looking Statements – Certain of the statements contained herein including, without limitation, financial and business prospects and financial outlook may be forward-looking statements. Words such as “may”, “will”, “should”, “could”, “anticipate”, “believe”, “expect”, “intend”, “plan”, “potential”, “continue” and similar expressions may be used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve significant risk and uncertainties.

A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in investment climate, interest rates, commodity prices, income tax obligations and economic uncertainty. Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and the Company assumes no obligation to update or review them to reflect new events or circumstances except as required by applicable securities laws.

Forward-looking statements and other information contained herein concerning the resource industry and the Company's general expectations concerning this industry is based on estimates prepared by management using data from publicly available industry sources, market research and industry analysis and on assumptions based on data and knowledge of this industry, which the Company believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Company is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

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HUMBOLDT CAPITAL CORPORATION



The following is a summary of the investments held by Humboldt and other components of Humboldt's net asset value, as at March 31, 2006:

Portfolio Summary and Net Asset Value at March 31, 2006

<i>(Thousands, except percentage and per share amounts)</i>	Carrying Value	Unrealized Gain (Loss) ⁽¹⁾	Investment Cost ⁽²⁾	% of Portfolio	% of Net Asset Value
Major Holdings	\$ 38,216	\$ 25,132	\$ 13,085	42.5%	43.9%
Oil & Gas					
Canadian	15,975	4,281	11,693	17.8%	18.3%
International	13,950	5,867	8,083	15.5%	16.0%
Australian	1,328	173	1,153	1.5%	1.5%
Mining	13,687	7,257	6,425	15.2%	15.7%
Humboldt Energy Fund	5,898	1,976	3,924	6.6%	6.8%
Energy Services	821	270	550	0.9%	0.9%
Other Equity Investments	58	(142)	205	0.1%	0.1%
Total Portfolio	\$ 89,933	\$ 44,814	\$ 45,118	100.0%	103.2%
Loans to associate companies	2,575				3.0%
Cash, working capital & other	3,977				4.6%
Current income tax	(1,244)				(1.4%)
Future tax liability	(8,089)				(9.3%)
	(2,781)				(3.2%)
Net asset value	\$ 87,152				100.0%
Net asset value, per share (diluted)	\$ 6.86				

Notes:

(1) Unrealized Gain (Loss) is the Carrying Value less Investment Cost.

(2) Investment Cost represents the original cost of the securities less any permanent impairment and cost recovery.

(3) Columns may not add due to rounding.

During the three months ended March 31, 2006, Humboldt realized capital gains of \$4.4 million and proceeds of \$9.2 million on the sale of equity positions. The Company reinvested \$8.0 million of these proceeds in new equity positions.

Humboldt's Major Shareholdings

Investments in four closely held companies together with loans to these companies comprised 47% of Humboldt's net asset value at March 31, 2006. At the end of the quarter, Humboldt has investments totaling \$13.1 million in these four companies and has advanced a further \$2.6 million to one of the companies, for a total of \$15.7 million. The investments and loans have a market value of \$40.8 million at March 31, 2006.

Although Humboldt's position in these companies may exceed 20% of their outstanding shares from time to time, the Company does not consolidate these companies' accounts because as an investment company, Humboldt carries its investments at their estimated fair value. Market values have been estimated based on the trading price of the securities held at the period end. The actual price realized for these securities and the market value at any other point in time may vary significantly from their carrying value at the end of the quarter.

Diaz Resources Ltd.

Share Holdings	Value (Millions)	Percentage of Humboldt's Value	Per Share	
			Cost	Market Value
18,196,000	\$ 21.5	24.6%	\$ 0.32	\$ 1.18

Humboldt's investment in Diaz Resources Ltd. remains the largest holding in the Company's portfolio, representing 24.6% of Humboldt's net asset value. Humboldt owns 29.4% of the outstanding shares of Diaz at March 31, 2006.



Diaz is an exploration and production company with assets in Alberta and Saskatchewan, in Canada and in Texas, in the United States. Diaz has recently announced its first quarter results. The company reported revenues of \$4.6 million, cash flow of \$3.3 million, earnings of \$1.0 million and an average production of 1,196 BOEd for the three months ended March 31, 2006.

Sharon Energy Ltd.

Share Holdings	Value (Millions)	Percentage of Humboldt's Value	Per Share	
			Cost	Market Value
17,722,000	\$ 12.5	14.3%	\$ 0.25	\$ 0.70
Loan outstanding – due to Humboldt	\$ 2.6	3.0%		

Humboldt's investment in and loans to Sharon represents 17.3% of the Company's net asset value at March 31, 2006.

During the quarter, Humboldt increased its interest in Sharon by participating in a \$6.0 million equity offering. Humboldt acquired 4.0 million shares and 2.0 million warrants of the company for an aggregate of \$2.0 million, or 33% of the offering. The net proceeds of the offering were used, in part, to repay Sharon's debt to Humboldt. Humboldt has entered into a financing agreement with Sharon in which Humboldt agreed to provide a \$4.8 million revolving loan facility to Sharon, which allowed Sharon to continue its exploration and development program. At the end of the quarter, \$2.6 million was outstanding.

Sharon is a Houston, Texas based junior exploration company in the early stage of its development. The company's exploration is focused on high impact, deep Wilcox gas prospects in Texas. In 2005, the company announces successful drilling and completion operations on two of its Wilcox prospects and plans for an expanded exploration program in 2006.

Highview Resources Ltd.

Share Holdings	Value (Millions)	Percentage of Humboldt's Value	Per Share	
			Cost	Market Value
12,819,000	\$ 1.9	2.2%	\$ 0.12	\$ 0.15

Highview is a junior, Calgary based energy company in which Humboldt owns 15.3% of the outstanding shares.

During 2005, Highview acquired a \$3.5 million producing property and entered into a \$6 million farm-in acquisition program in Alberta. These activities were financed by way of debt and new equity issues.

For the three months ended February 28, 2006, the company reported production of 146 BOEd and cash flow of \$285,644.

Tuscany Energy Ltd.

Share Holdings	Value (Millions)	Percentage of Humboldt's Value	Per Share	
			Cost	Market Value
6,262,000	\$ 2.3	2.7%	\$ 0.20	\$ 0.37

During 2005, Tuscany grew as a result of two financings raising \$4.3 million and the acquisition of a producing oil property in west central Saskatchewan. This has given Tuscany a production base of approximately 200 BOEd, together with increased cash flow, and will provide the company a base from which to grow in 2006.

Humboldt owns 6.2 million shares, or 25% of the company at March 31, 2006.



Humboldt Energy Fund

<i>(Thousands, except percentage amounts)</i>	March 31		
	2006	2005	2004
Portfolio value	\$ 5,898	\$ 5,053	\$ 2,836
Uninvested funds	2,420	1,216	26
Total value	\$ 8,318	\$ 6,269	\$ 2,862
Increase in value and realized gain	\$ 2,049	\$ 3,407	\$ 719
Percentage growth on average capital invested	33%	53%	29%

In 1999, Humboldt established a wholly owned, managed fund to invest in a portfolio of intermediate and junior Canadian oil and gas companies.

The Fund has performed well since its organization, increasing in value through growth in investment value by 33% over the past year. Humboldt added \$1.0 million to the Fund in the fourth quarter of 2004 and the Fund now has a value of \$8.3 million, representing 6.8% of Humboldt's net asset value.

Humboldt Energy Fund

Portfolio Summary and Net Asset Value at March 31, 2006

<i>(Thousands)</i>	No. of Shares	Carrying Value	Unrealized Gain (Loss) ⁽¹⁾	Investment Cost ⁽²⁾
Rider Resource Ltd.	63	\$ 921	\$ 648	\$ 273
Find Energy	58	584	255	329
Storm Exploration Inc.	82	504	130	375
Celtic Exploration Ltd.	37	468	167	301
Cyrus Energy Inc.	35	464	218	247
Bear Ridge Resources Ltd.	87	444	133	311
NuVista Energy Ltd.	27	401	90	311
Atlas Energy	80	400	169	231
Titan Exploration	69	393	43	350
West Energy Ltd.	65	364	2	362
Kereco Energy Ltd.	30	345	89	256
Clear Energy	65	299	(49)	348
C1 Energy	110	231	31	200
Vero Energy	13	80	50	30
Humboldt Energy Fund		\$ 5,898	\$ 1,976	\$ 3,924

Notes:

(1) Unrealized Gain (Loss) is the Carrying Value less Investment Cost.

(2) Investment Cost represents the original cost of the securities less any permanent impairment and cost recovery.

Canadian Oil and Gas Sector

During the first quarter of 2006, Humboldt realized gains of \$2.6 million and proceeds of \$5.6 million on the disposition of Canadian oil and gas holdings, other than the major holdings referred to above. Humboldt reinvested \$2.1 million in this sector thereby reducing its weighting in the sector from 24% to 18% of its portfolio.

International Oil Sector

Humboldt realized gains of \$0.8 million and proceeds of \$1.4 million on sales of equity positions in international companies during the period. Humboldt reinvested \$1.7 million in this sector to increase its investment to \$8.1 million. The value of Humboldt's investment in the international oil sector was \$14.0 million at March 31, 2006, representing 16.0% of Humboldt's net asset value compared with \$10.3 million, or 13% of Humboldt's net asset value at December 31, 2005.



Energy Services Sector

Humboldt has reduced its investment in the energy services sector to less than 1% of its holdings. This decision was made on the basis that this sector would suffer as a result of the decline in natural gas prices.

Mining Sector

In June 2005, Humboldt commenced an active investment program in the mining sector. The basis for this investment decision was the recognition of steadily increasing demand for base metals as well as the assumption that with higher prevailing commodity prices mining companies have improved access to capital and are able to conduct active exploration programs. Due to long prevailing depressed industry conditions in the mining sector, there appears to be a great number of excellent exploration targets and Humboldt has allocated both the personnel and capital to review and acquire share positions in well run mining exploration firms with upside potential.

In addition, the Company has built up a significant portfolio of diamond exploration stocks, focusing on the larger companies involved with the Saskatchewan diamond play as well as the evolving exploration effort in central Quebec.

Humboldt significantly increased its investment in the mining sector and currently has \$6.4 million invested. This sector has a market value of \$13.7 million, representing 15.7% of Humboldt's asset value. Investments in this sector range from the more speculative Canadian diamond mining industry, international base metal explorers and to larger more stable production companies.

Revenue

During the first quarter of 2006, Humboldt realized capital gains of \$4.4 million compared with \$8.0 million in 2005. An increase in the unrealized appreciation in investment values of \$2.0 million increased the Company's revenues to \$6.4 million. This compares with total revenue of \$8.2 million in 2005.

General and Administrative Costs

<i>(Thousands, except percentage amounts)</i>	Three Months Ended March 31		
	2006	2005	2004
General and administrative	\$ 359	\$ 172	\$ 117
Assets under management	\$ 87,152	\$ 56,455	\$ 37,607
Percentage (annualized)	1.6%	1.2%	1.2%

Total general and administrative costs of \$359,000 equalled an annualized 1.6% of the assets under management. Humboldt also incurred non-cash compensation expense of \$37,000 during the period. These costs were related to the valuation of the previously issued options to employees, which vested in 2006.

Stock Valuation and Market Price

<i>(Thousands, except per share and percentage amounts)</i>	March 31		
	2006	2005	2004
Net asset value (NAV)	\$ 87,152	\$ 56,455	\$ 26,829
NAV, per share (diluted)	\$ 6.86	\$ 4.50	\$ 3.04
Market price, per share	\$ 4.85	\$ 2.90	\$ 2.30
Market price, as a percentage of NAV	71%	64%	76%

Issuer Bid

	Three Months	Years Ended	
	Ended March 31	December 31	December 31
	2006	2005	2004
Shares Purchased			
Common	—	31,000	72,800
Average cost paid, per share	\$ —	\$ 2.29	\$ 2.07



Humboldt's shares trade at a significant discount to their net asset value. The Company has filed a notice of intent to repurchase its shares through a Normal Course Issuer Bid. Over the past three years, approximately 3% of the shares have been repurchased through the Bid, however, no shares were purchased in the first quarter of 2006.

Income Tax

<i>(Thousands, except percentage amounts)</i>	Three Months Ended March 31		
	2006	2005	2004
Future income tax liability, at period end	\$ 8,089	\$ 3,831	\$ 2,382
Income tax expense			
Current	\$ 479	\$ 1,310	\$ 614
Future	467	(53)	(1,262)
Total income tax expense	\$ 946	\$ 1,257	\$ (648)
Income tax as a percentage of before tax earnings	15.6%	15.9%	15.9%

Future income tax liabilities primarily result from unrealized gains on portfolio holdings. Since the majority of the Company's revenue comes from capital gains, the Company's effective tax rate is approximately 16% before non-deductible items such as non-cash compensation.

Liquidity and Capital Resources

<i>(Thousands)</i>	March 31		
	2006	2005	2004
Working capital	\$ 2,393	\$ 2,028	\$ 2,642

At March 31, 2006, Humboldt had working capital of \$2.4 million. The Company has no long-term debt. Humboldt does not plan to use debt leverage to increase its investment portfolio.

Critical Accounting Estimates

In the preparation of the financial statements and management's discussion and analysis, the Company utilized a number of different accounting estimates that are critical to the results.

The most significant estimates for Humboldt are the evaluation of the Company's portfolio of investments and loans.

Share holdings having a quoted market value are recorded at the value if they have a sufficiently liquid market and investments that do not have a liquid market are recorded at their estimated fair value. Loans and other receivables are recorded at their face value unless the value has been impaired.

Estimates of liquidity, fair value and the recoverability of loans are made using the information that is available to management at the time of the decision. Changing economic conditions may have a material effect on these estimates. Changes in the estimates will affect the Company's net asset value, unrealized gain on investments and earnings for the period.

Business Risks

Humboldt's external business risks arise from the economic environment in which the Company makes investment decisions.

Humboldt is engaged in making investments in a range of very small to large companies, which are in turn engaged in the exploration, development, production and acquisition of crude oil and natural gas or minerals, or companies which provide services to such companies.

Humboldt's business is inherently risky in that there is no assurance that the Company will be able to sell its investments in any of these companies in the future.



Humboldt records its investments on its balance sheet on the basis of their quoted market value, as of the balance sheet date. Humboldt reports unrealized gains or losses on shares based on the Company's estimate of the value of the shares held at the end of the period. The estimates are based on a quoted market price at the date of the report. By their nature, quoted market prices change daily and the content of the portfolio changes from time to time. Companies in which Humboldt holds shares have varying degrees of liquidity and there is no assurance that the investments can be sold at the quoted market price.

Markets on which the shares held by the Company trade may experience significant fluctuations on the valuation date and therefore the market value of the holdings may change significantly after the valuation date.

Humboldt attempts to minimize its investment risk by diversifying its holdings over a large number of companies and industry segments.

Humboldt loans monies to companies in which it has large equity investments. There can be no assurance that such loans will be repaid in accordance with their terms, and actions by Humboldt to enforce repayment of such loans may have an adverse effect on the value of Humboldt's equity position in these companies.

Humboldt attempts to limit the adverse effects of these investment risks by maintaining a portion of its funds in cash or highly liquid investments in order to retain the ability to assist its portfolio companies in working through financing difficulties and to provide short term capital in order to take advantage of growth opportunities.

Selected Quarterly Information

The following table summarizes selected financial results of Humboldt for each of the eight quarters ended March 31, 2006. The information has been summarized from the financial statements, which were prepared in accordance with Canadian generally accepted accounting principles. Each of the periods for the last two years has been restated to reflect the change in accounting treatment of unrealized gains. This had an effect on revenue, earnings and income tax expense for the period but had no effect on shareholders' equity in total.

Selected Quarterly Information

<i>(Thousands, except per share amounts)</i>	For the Three Months Ended							
	2006		2005				2004	
	Mar. 31	Dec. 31	Sept. 30	June 30	Mar. 31	Dec. 31	Sept. 30	June 30
Total revenue	\$ 6,442	\$ 13,260	\$ 18,499	\$ (428)	\$ 8,197	\$ 7,536	\$ 8,249	\$ (459)
Earnings (loss)	\$ 5,100	\$ 10,442	\$ 14,588	\$ 289	\$ 6,642	\$ 8,098	\$ 4,495	\$ (399)
per share, basic	\$ 0.41	\$ 0.86	\$ 1.17	\$ 0.02	\$ 0.54	\$ 0.65	\$ 0.36	\$ (0.03)
per share, diluted	\$ 0.41	\$ 0.83	\$ 1.17	\$ 0.02	\$ 0.54	\$ 0.65	\$ 0.36	\$ (0.03)

<i>(Thousands, except per share amounts)</i>	As at the Period Ended							
	2006		2005				2004	
	Mar. 31	Dec. 31	Sept. 30	June 30	Mar. 31	Dec. 31	Sept. 30	June 30
Retained earnings	\$ 84,900	\$ 79,800	\$ 69,492	\$ 54,904	\$ 54,615	\$ 47,906	\$ 39,830	\$ 35,342
Net asset value	\$ 87,152	\$ 81,947	\$ 71,400	\$ 56,768	\$ 56,455	\$ 49,724	\$ 41,675	\$ 37,189
per share, basic	\$ 7.04	\$ 6.64	\$ 5.78	\$ 4.61	\$ 4.58	\$ 4.03	\$ 3.37	\$ 3.01
per share, diluted	\$ 6.86	\$ 6.48	\$ 5.65	\$ 4.52	\$ 4.50	\$ 4.03	\$ 3.37	\$ 3.01

Humboldt has reported earnings in the past seven quarters and has increased its net asset value by 134% over the two-year period.



Capital Stock

As of March 31, 2006, Humboldt had 12,376,895 common shares outstanding. In addition, the Company has outstanding employee and director options to purchase an additional 438,400 common shares at a price of \$2.41 per share until January 4, 2010.

Financial Instruments

The Company's financial instruments comprise cash, accounts receivable, investments, accounts payable, loans and convertible debt receivable, loans to associated companies and income taxes payable. Investments are recorded at their fair values. The fair values of the other financial instruments approximate their carrying value due to the short term nature of the instruments.

Humboldt carries its investments at market value and its loans and receivables at their face value, less any impairment realized during the period. The market value of the investments may change daily and therefore the value of the Company's assets and the earnings for any given period will be affected by the change.

Humboldt has significant investments in some of the companies in its portfolio and some investments may have limited liquidity from time to time.

Controls Environment

The Company has established disclosure controls, procedures and corporate policies so that the consolidated financial results are presented accurately, fairly and timely. The disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in reports filed or submitted under applicable securities regulation is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. All internal control systems, no matter how well designed, have inherent limitations. Therefore, these systems provide reasonable, but not absolute assurance, that financial information is accurate and complete.

Outlook

Humboldt believes that the North American economy will continue to grow and that oil and gas prices and base metal prices will continue to increase in value. Increasing demand from China is likely to put increased price pressure on all commodities. Over the short term, commodity prices and share values will continue to be volatile.

Some concern about the growth in equity prices relates to the continuing United States twin deficits, trade and budget, and the weakening of the U.S. dollar. Management believes the current correction in North American stock markets will likely last through the early summer but will resume an upward trend as long as interest rates continue to rise at a moderate rate.

As a result of the forgoing, Humboldt plans to steadily increase its liquidity during the year and to continue its focus on removing debt levered companies from its portfolio.

Finally, despite these concerns, the Company remains optimistic about the outlook for 2006 as Humboldt's portfolio has been carefully selected for growth at reasonable prices.

CONSOLIDATED BALANCE SHEET

(Thousands, except per share amounts)
(Unaudited)

As at	March 31 2006	December 31 2005
ASSETS		
Cash and term deposits	\$ 3,626	\$ 1,875
Accounts receivable	15	116
	3,641	1,991
Other assets	241	238
Loans and convertible debt receivable	99	99
Loans to associated companies	2,575	5,411
Investments (Note 2)	89,933	84,757
	92,848	90,505
Total Assets	\$ 96,489	\$ 92,496
LIABILITIES		
Short term margin debt	\$ -	\$ 1,159
Accounts payable and accrued liabilities	4	663
Income tax payable	1,244	1,104
	1,248	2,926
Future income taxes	8,089	7,623
	9,337	10,549
SHAREHOLDERS' EQUITY		
Share Capital		
Common shares	1,976	1,908
Contributed surplus	276	239
Retained earnings	84,900	79,800
Total Shareholders' Equity	87,152	81,947
Total Liabilities and Shareholders' Equity	\$ 96,489	\$ 92,496
Net asset value per share, basic	\$ 7.04	\$ 6.64
Net asset value per share, diluted	\$ 6.86	\$ 6.48

Approved by the Board:

(signed)

"R.W. Lamond"
Director

(signed)

"C.A. Teare"
Director

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HUMBOLDT CAPITAL CORPORATION

CONSOLIDATED STATEMENT OF OPERATIONS AND RETAINED EARNINGS

(Thousands, except per share amounts)

(Unaudited)

Three Months Ended March 31	2006	2005
Revenue		
Net gain on sale of investments	\$ 4,397	\$ 8,026
Unrealized appreciation in investment value	1,993	62
Interest, dividends and other	52	109
	6,442	8,197
Expenses		
Loan loss recovery	-	(3)
General and administrative	359	172
Non-cash compensation	37	129
	396	298
Earnings before income taxes	6,046	7,899
Income taxes (recovery)		
Current	479	1,310
Future	467	(53)
	946	1,257
Net earnings	\$ 5,100	\$ 6,642
Cost in excess of stated value of shares repurchased	-	67
Retained earnings, beginning of period	79,800	47,906
Retained earnings, end of period	\$ 84,900	\$ 54,615
Earnings per share, basic and diluted	\$ 0.41	\$ 0.54



CONSOLIDATED STATEMENT OF CASH FLOWS

(Thousands)

(Unaudited)

Three Months Ended March 31	2006	2005
Cash provided by (used for):		
Operating Activities		
Net earnings	\$ 5,100	\$ 6,642
Adjusted for:		
Interest	(52)	(109)
Loan loss recovery	-	(3)
Non-cash compensation	37	129
Future income tax (recovery)	467	(53)
Unrealized appreciation of investments	(1,993)	(62)
Net gain on sale of investments	(4,397)	(8,026)
	(838)	(1,482)
Change in non-cash working capital	(1,577)	(419)
	(2,415)	(1,901)
Investing Activities		
Loans to associated companies, net of repayment	2,836	(2,064)
Other loans and debentures	-	50
Interest	52	109
Proceeds from sale of investments	9,202	17,453
Purchase of investments	(7,992)	(10,848)
	4,098	4,700
Financing Activities		
Issue of shares on exercise of options	68	-
Purchase of shares for cancellation	-	(71)
	68	(71)
Increase in cash	1,751	2,728
Cash, beginning of period	1,875	682
Cash, end of period	\$ 3,626	\$ 3,410
Supplementary information regarding cash payments:		
Interest received during the period	\$ 52	\$ 18
Taxes paid during the period	\$ 409	\$ 1,274
Non-cash items:		
Interest on loans to associated companies	\$ 39	\$ 96

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HUMBOLDT CAPITAL CORPORATION

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the Three Months Ended March 31, 2006

The financial statements for the three months ended March 31, 2006 and 2005 have not been reviewed by the Company's external auditors.

1. Summary of Significant Accounting Policies

The interim consolidated financial statements of Humboldt Capital Corporation ("Humboldt") have been prepared in accordance with accounting principles generally accepted in Canada. Management has made the necessary estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses in the preparation of the financial statements. Accordingly, actual results may differ from estimated amounts but management does not believe such differences will materially affect Humboldt's financial position or results of operations. Certain information and disclosures normally required to be included in the notes to the annual consolidated financial statements have been condensed or omitted. The reader should refer to the annual consolidated financial statements of Humboldt for the year ended December 31, 2005.

2. Investments

Investments are comprised of the following:

Portfolio Summary and Net Asset Value at March 31, 2006

<i>(Thousands, except percentage and per share amounts)</i>	No. of Shares	Carrying Value ⁽¹⁾	Unrealized Gain (Loss) ⁽²⁾	Investment Cost ⁽³⁾	% of Portfolio	% of Net Asset Value
MAJOR HOLDINGS						
Diaz Resources Ltd.	18,196	\$ 21,471	\$ 15,653	\$ 5,819	23.9%	24.6%
Sharon Energy Ltd.	17,722	12,505	8,061	4,444	13.9%	14.3%
Tuscany Energy Ltd.	6,262	2,317	1,041	1,276	2.6%	2.7%
Highview Resources Ltd.	12,819	1,923	377	1,546	2.1%	2.2%
Total Major Holdings		38,216	25,132	13,085	42.5%	43.9%
Humboldt Energy Fund⁽⁴⁾		5,898	1,976	3,924	6.6%	6.8%
CANADIAN OIL & GAS						
Bear Ridge Resources Ltd.	289	1,480	744	737	1.6%	1.7%
Signal Energy Inc.	806	1,338	593	745	1.5%	1.5%
Buffalo Oil Corporation	665	1,257	325	931	1.4%	1.4%
E4 Energy Inc.	732	1,040	(69)	1,109	1.2%	1.2%
Endev Energy	588	1,028	406	622	1.1%	1.2%
Eastshore Energy Cls A	733	1,026	100	927	1.1%	1.2%
Trafina Energy Ltd. A	303	879	803	75	1.0%	1.0%
Canex Energy Inc.	179	609	473	136	0.7%	0.7%
Wave Energy Ltd.	240	569	1	568	0.6%	0.7%
Result Energy Inc.	597	561	281	279	0.6%	0.6%
Titan Exploration	89	509	237	271	0.6%	0.6%
C1 Energy	230	483	64	419	0.5%	0.6%
Burmis Energy Inc.	145	465	121	345	0.5%	0.5%
Mystique Energy Inc.	753	407	131	275	0.5%	0.5%
Yangarra Resources Inc.	678	407	(105)	511	0.5%	0.5%
Westchester Resources	883	406	(265)	671	0.5%	0.5%
Rival Energy Inc.	244	390	39	351	0.4%	0.4%
Choice Resources Corp.	400	360	109	251	0.4%	0.4%
G2 Resources	319	357	212	144	0.4%	0.4%
NuLoch Resources	200	326	(4)	330	0.4%	0.4%
Rock Energy Inc.	60	254	(46)	301	0.3%	0.3%
G2 Resources Warrants	375	233	233	—	0.3%	0.3%
Canadian Superior Energy	80	218	65	153	0.2%	0.3%
Rosetta Exploration	314	179	(43)	222	0.2%	0.2%
Exceed Energy Inc.	404	170	(7)	177	0.2%	0.2%
Longbow Energy Ltd.	1,431	157	(69)	227	0.2%	0.2%
AltaCanada Energy Corp.	200	152	(10)	162	0.2%	0.2%



Portfolio Summary and Net Asset Value at March 31, 2006 (cont'd)

<i>(Thousands, except percentage and per share amounts)</i>	No. of Shares	Carrying Value	Unrealized Gain (Loss) ⁽¹⁾	Investment Cost ⁽²⁾	% of Portfolio	% of Net Asset Value
Winslow Resources	661	152	(67)	219	0.2%	0.2%
Cork Exploration Inc.	150	150	–	150	0.2%	0.2%
Vero Energy	17	104	63	42	0.1%	0.1%
Renegade Oil & Gas Ltd.	100	100	–	100	0.1%	0.1%
Other Canadian Oil & Gas		209	(34)	243	0.2%	0.2%
Total Canadian Oil & Gas		15,975	4,281	11,693	17.8%	18.3%
INTERNATIONAL OIL & GAS						
Bow Valley Energy	381	2,250	1,419	831	2.5%	2.6%
Big Sky Energy	450	1,044	402	642	1.2%	1.2%
Sterling Resources	589	1,043	346	697	1.2%	1.2%
Stratic Energy Corp.	960	960	252	708	1.1%	1.1%
BrazAlta Resources Corp.	504	831	566	265	0.9%	1.0%
Avery Resources Inc.	860	756	397	359	0.8%	0.9%
Antrim Energy	368	709	187	522	0.8%	0.8%
Pan Orient	247	682	381	301	0.8%	0.8%
Eastcoast Energy Class B	154	678	406	272	0.8%	0.8%
Mart Resources Inc.	700	651	253	398	0.7%	0.7%
EnCore Resources	735	500	155	345	0.6%	0.6%
Gulf Shores Resources	890	490	259	231	0.5%	0.6%
Loon Energy	560	420	187	233	0.5%	0.5%
Verenex Energy	100	420	99	321	0.5%	0.5%
Rally Energy Corp.	237	384	195	189	0.4%	0.4%
Qeva Group Inc.	1,378	317	(4)	321	0.4%	0.4%
Oracle Energy Corp.	434	277	96	181	0.3%	0.3%
Europa Oil & Gas	600	264	(21)	285	0.3%	0.3%
Fuel-X	469	253	2	251	0.3%	0.3%
Tag Oil Ltd.	324	233	(188)	421	0.3%	0.3%
Benchmark Energy	400	216	16	200	0.2%	0.2%
Brazalta Warrants	167	142	142	–	0.2%	0.2%
Gulf Shore Warrants	800	120	120	–	0.1%	0.1%
Excelsior Energy	500	110	–	110	0.1%	0.1%
Other International Oil & Gas		200	200	–	0.2%	0.2%
Total International Oil & Gas		13,950	5,867	8,083	15.5%	16.0%
ENERGY SERVICES						
Production Enhancement Group	185	278	–	278	0.3%	0.3%
Cabo Mining	500	230	74	156	0.3%	0.3%
Technicoil Corp.	58	171	115	56	0.2%	0.2%
Enterprise Oil Ltd.	45	95	45	50	0.1%	0.1%
Other – Energy Services		47	36	10	0.1%	0.1%
Total Energy Services		821	270	550	0.9%	0.9%
MINING						
Alberta Star Development Corp.	676	1,292	1,072	219	1.4%	1.5%
Pacifica Resources Ltd.	1,413	1,201	885	316	1.3%	1.4%
Shore Gold Inc.	164	1,156	598	558	1.3%	1.3%
Shore Gold Inc. Warrants	72	325	325	–	0.4%	0.4%
Eurozinc Mining Corp.	467	948	620	328	1.1%	1.1%
Firestone Ventures	1,350	945	780	165	1.1%	1.1%
Firestone Ventures Warrants	417	217	217	–	0.2%	0.2%
Firestone Ventures Warrants	834	450	450	–	0.5%	0.5%
Vaaldiam Resources Ltd.	532	733	417	316	0.8%	0.8%
Vaaldiam Resources Ltd. Warrants	168	97	97	–	0.1%	0.1%
Candente Resource Corp.	625	569	240	329	0.6%	0.7%




Portfolio Summary and Net Asset Value at March 31, 2006 (cont'd)

<i>(Thousands, except percentage and per share amounts)</i>	No. of Shares	Carrying Value	Unrealized Gain (Loss) ⁽¹⁾	Investment Cost ⁽²⁾	% of Portfolio	% of Net Asset Value
International PBX Ventures	711	490	178	312	0.5%	0.6%
International PBX Ventures Warrants	556	50	50	—	0.1%	0.1%
Ashton Mining of Canada	303	420	27	393	0.5%	0.5%
Yukon Zinc Corp.	563	355	186	168	0.4%	0.4%
Strongbow Exploration	414	351	244	107	0.4%	0.4%
Javelin Capital	570	314	114	200	0.4%	0.4%
Kaminak Gold	502	291	141	150	0.3%	0.3%
Strata Gold Corp.	263	287	138	148	0.3%	0.3%
Shear Minerals Ltd.	681	259	(45)	304	0.3%	0.3%
Chapleau Resources Ltd.	525	257	106	151	0.3%	0.3%
Capstone Gold	105	205	105	100	0.2%	0.2%
Capstone Gold Warrants	105	58	58	—	0.1%	0.1%
Midlands Minerals	400	176	76	100	0.2%	0.2%
Sacre-Coeur Minerals	76	174	64	109	0.2%	0.2%
Forest Gate Resources	500	170	42	128	0.2%	0.2%
Bayswater Ventures	122	134	34	100	0.1%	0.2%
PMI Ventures	400	132	32	100	0.1%	0.2%
Abacus Mining	143	127	27	100	0.1%	0.1%
Grayd Resources	84	121	21	100	0.1%	0.1%
Mantle Resources	80	110	10	100	0.1%	0.1%
Silvermet	333	100	—	100	0.1%	0.1%
Other Mining		1,173	(52)	1,224	1.3%	1.3%
Total Mining		13,687	7,257	6,425	15.2%	15.7%
AUSTRALIAN OIL & GAS						
Nexus Energy Limited	586	428	207	221	0.5%	0.5%
Elixir Petroleum Limited	612	275	(98)	373	0.3%	0.3%
Cue Energy	633	146	(15)	161	0.2%	0.2%
Herald Resources Ltd	100	127	40	87	0.1%	0.1%
Horizon Oil Limited	535	112	50	63	0.1%	0.1%
Other Australian Oil & Gas		240	(11)	248	0.3%	0.3%
Total Australian Oil & Gas		1,328	173	1,153	1.5%	1.5%
Other Equity Investments		58	(142)	205	0.1%	0.1%
Total Portfolio		\$ 89,933	\$ 44,814	\$ 45,118	100.0%	103.2%

Notes:

- (1) Carrying Value is the quoted market value for liquid securities and estimated fair value or cost for illiquid securities, fair value being expected realization from the disposition of the illiquid security in an orderly manner over a reasonable time period.
- (2) Unrealized Gain (Loss) is the Carrying Value less Investment Cost.
- (3) Investment Cost represents the original cost of the securities less any permanent impairment and cost recovery.
- (4) Humboldt Energy Fund is an unincorporated investment fund managed by the Company and the Company is currently the only investment partner.

3. Share Capital

a) Authorized

Unlimited number of Common Shares, no stated par value

Unlimited number of First Preference Shares, no stated par value

b) Issued

	Number of Shares	Amount (Thousands)
<hr/>		
COMMON SHARES		
Balance, December 31, 2005	12,348,595	\$ 1,908
Issued on exercise of options	28,300	68
<hr/>		
Total Shares Outstanding March 31, 2006	12,376,895	\$ 1,976

c) Share based compensation plan

At March 31, 2006, options to purchase 438,400 common shares at a price of \$2.41 per share were outstanding, of which 95,000 were exercisable. The options expire on January 3, 2010.

On April 19, 2006, Humboldt issued 55,000 options at an exercise price of \$5.02 per share. The options expire on April 18, 2011.



Corporate Information

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Allan R. Twa ⁽¹⁾⁽²⁾⁽³⁾

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[1] Member of the Audit Committee

[2] Member of the Compensation Committee

[3] Member of the Corporate Governance Committee

Legal Counsel

Burnet, Duckworth & Palmer LLP

Calgary, Alberta

Auditors

PricewaterhouseCoopers LLP

Calgary, Alberta

Officers

R.W. Lamond

President, Chairman of the Board & CEO

C.A. Teare

Executive Vice President and CFO

D.K. Clark

Vice President, Operations

C.S. Cohen

Corporate Secretary

Investment Analysts

Terry Steele

Melanie van den Berge

Sehr Taqdees

Registrar and Transfer Agent

Computershare Trust Company of Canada

Calgary, Alberta

Stock Exchange Listing

TSX Venture Exchange

Trading Symbol:

Common Shares: HMB



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