

INTERNATIONAL GEMINI TECHNOLOGY INC

Form 20-F

June 27, 2006

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 20-F

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE
SECURITIES EXCHANGE ACT OF 1934
OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2005

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

Date of event requiring this shell Company report _____

Commission file number: 000-14740

International Gemini Technology Inc.

(Exact name of Registrant as specified in its charter)

Province of British Columbia, Canada

(Jurisdiction of incorporation or organization)

#208 828 Harbourside Drive, North Vancouver, British Columbia, Canada V7P 3R9

(Address of principal executive offices)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class

Name of each exchange on which registered

None

None

Securities registered or to be registered pursuant to Section 12(g) of the Act. **Common Shares, no par value**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act. **None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common shares as of the close of the period covered by the annual report:

11,227,181 inclusive of the conversion of the outstanding Series 1 Convertible Preferred Shares

Indicate by check mark if the registrant is a well-known seasoned issuer. Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or

15(d) of the Securities Exchange Act of 1934. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer.

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Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark which financial statement item the registrant has elected to follow. Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company as defined in Rule 12b-2 of the Exchange Act.

Yes No

Unless otherwise indicated, all references herein are expressed in Canadian dollars and United States currency is stated as U.S.\$_____.

THIS SUBMISSION SHOULD BE CONSIDERED IN CONJUNCTION WITH PREVIOUSLY FILED FORMS 20-F AND 6-K. THE AUDITED FINANCIAL STATEMENTS AND NOTES THERETO ATTACHED ARE AN INTEGRAL PART OF THIS SUBMISSION.

International Gemini Technology, Inc.

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not required

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. Selected financial data.

The following selected financial data has been extracted from the consolidated financial statements for the last five years prepared pursuant to Canadian generally accepted accounting principles (GAAP). Where material differences exist between Canadian and US GAAP, corresponding comparison data has been provided in US GAAP for clarity.

International Gemini Technology Inc.

Selected Financial Data

(Expressed in Canadian Dollars)

	Years Ended December 31				
	2005	2004	2003	2002	2001
Net operating revenues	\$ 0	20,000	3,000	22,000	0
Loss from continued operations	\$ (54,804)	(39,742)	(37,863)	(35,264)	(23,205)
Income from discontinued operations	N/a	N/a	N/a	N/a	N/a
Net loss	\$ (54,804)	(39,742)	(37,863)	(35,264)	(23,205)
Income per share from continued operations	\$ 0	0	0	0	0
Income per share from discontinued operations	\$ 0	0	0	0	0
Income per share after discontinued operations	\$ 0	0	0	0	0
Share capital per Canadian GAAP	\$ 13,499,333	13,265,283	13,265,283	13,265,283	13,265,283
Common shares issued	9,888,452	8,323,119	8,323,119	8,323,119	8,323,119
Weighted average shares outstanding per Canadian GAAP	9,084,049	8,323,119	8,323,119	8,323,119	8,323,119
Total assets	\$ 218,438	53,870	49,070	157,186	134,991
Net assets (liabilities)	\$ 176,219	(3,027)	36,715	74,578	109,842
Convertible debentures(current and long term portions) per U.S. GAAP)	N/a	N/a	N/a	N/a	N/a

	Years Ended December 31				
	2005	2004	2003	2002	2001
Cash dividends declared per common share		\$ 0	0	0	0
Exchange rates (Cdn\$ to U.S.\$) period average	\$ 0.8253	0.7683	0.7135	0.6368	0.6458

Exchange rates (CDN\$ to U.S.\$) for most recent six months	Period High	Period Low
December 2005	\$ 0.8751	0.8508
January 2006	\$ 0.8794	0.8479
February 2006	\$ 0.8809	0.8610
March 2006	\$ 0.8850	0.8513
April 2006	\$ 0.8959	0.8416
May 2006	\$ 0.9112	0.8869
Exchange rate (CDN\$ to U.S.\$) June 23, 2006	\$ 0.8900	

B. Not required

C. Not required

D. Risk factors.

The business of the Company entails significant risks, and an investment in the securities of the Company should be considered highly speculative. An investment in the securities of the Company should only be undertaken by persons who have sufficient financial resources to enable them to assume such risks. The following is a general description of all material risks, which can adversely affect the business and in turn the financial results, ultimately affecting the value of an investment the Company.

The Company has no viable business.

The Company has no funds.

There is no assurance that the Company can access additional capital.

There is no assurance that the transaction disclosed herein with Pinefalls Gold will be consummated, or if consummated will be successful in its quest to find a commercially viable quantity of mineral resources.

There is no assurance that other prospective mineral properties can be acquired, and if acquired that the necessary additional capital can be attracted.

The Company has a history of operating losses and may have operating losses and a negative cash flow in the future.

The Company's auditors have indicated that U.S. reporting standards would require them to raise a concern about the company's ability to continue as a going concern.

There is no market for our common shares.

ITEM 4. INFORMATION ON THE COMPANY

A. History and development of the Company.

International Gemini Technology Inc. resulted from a one for five reverse split of the common shares of Gemini Technology Inc. accomplished in 1993. International Gemini Technology Inc. was incorporated under the laws of the Province of British Columbia, Canada, by filing of Memorandum and Articles of Association on September 20, 1983, under the name Rainbow Resources Ltd. The company's name was changed to Widescope Resources Ltd. on May 1, 1984, and to Gemini Technology Inc. on September 17, 1985. Registrant is currently in good standing under the laws of British Columbia. The registered and records office of the Company and the Company's principal executive offices are located at #208 828 Harbourside Drive North Vancouver, British Columbia V7P 3R9, telephone 604-904-8481. From September 1985 the company became involved in the design and marketing of a circuit board for a Zenith computer that allowed it to emulate an IBM PC and utilize much of the related software. Over the next year it broadened its product line to include proprietary computer graphics chips, custom electronic components and equipment. As the line of proprietary computer graphics chips were in final development, the demand for the circuit boards for the Zenith computer ended.

The company licensed its graphics chips to third parties, and concentrated on developing second and third generation products. Due to cash flow problems brought about by external and unforeseeable circumstances and bad management decisions the company was forced into a position of attempting to develop a new generation product with little cash. In August of 1989 the board changed direction and top management. The new strategy was to accelerate R&D on a blockbuster new product, targeting a small number of very large customers. With little cash and little ongoing revenue, the inevitable delays to the R&D process caused the company to be unable to meet payroll in February 1990. All of management resigned and the board of directors was changed. The shareholders spearheaded an effort to save the Company, which eventually resulted in the change to the board of directors and a plan to revive the Company's operations.

During 1991 the Company concentrated considerable effort on establishing a joint venture in Czechoslovakia to exploit the European market, as well as effort to establish a considerable technical presence in the Middle East. In addition, contracts and joint ventures were pursued in Russia, Singapore and Taiwan. As yet none of these efforts has yielded tangible results.

A great deal of time and energy has been expended in 1993 and 1994 in an effort to target and conclude an acquisition that would be complimentary to Gemini's technical and financial capabilities. This effort continued through 1996, and at the end of 1996 has been unsuccessful. In July of 1997, Gemini entered into discussions to acquire the assets and intellectual property of Abraham Publishing Group Inc. and certain other privately owned assets which in combination operate as a profitable publishing business. These discussions and negotiations had not been concluded by the end of 1997, but in the first quarter of 1998 resulted in an acquisition agreement with closing conditional on raising US\$3.25 million in expansion capital.

Closing had not taken place by the end of 1998 due to small cap market conditions frustrating efforts to raise the required capital. Initiatives were undertaken to identify and review other potential acquisition or mergers requiring less capital.

The dot.com frenzy in the years 1999 and 2000 distorted valuations and made any prospective acquisition prohibitively expensive. The return to more normal valuations after mid 2000 has resulted in fewer but more reasonably priced prospective candidates. However as valuations became more reasonable the sources of funding became fewer. And the events of September 11 virtually shut down the availability of funding for most smaller transactions, particularly the size targeted by the company. Toward the end of the year discussions were entered into on a proprietary medical device, which had met some amount of success in a niche market in Texas. At yearend discussions were progressing, particularly as it appeared that this device could be sold in considerable quantity by the application of effective marketing. This was abandoned as marketing was found not to be the greatest challenge. The greatest challenge was providing the paperwork for the multiplicity of insurers ultimately paying for the use of the device.

During 2002 due diligence was done on two businesses, but neither was able to demonstrate the business case necessary for expansion financing. Accordingly neither was pursued further as a merger or acquisition candidate, despite one being in the bus shelter advertising business, a business usually demonstrating generally attractive economics.

During 2003 due diligence was done on several more businesses. All but one were abandoned as not being able to support the additional financing required to close. One of those abandoned became the subject of further review toward the end of the year as the owners lowered their price expectation. At year end, alternatives were being considered including merging with a like business, also available. A separate business was the subject of low level investigation throughout the year, as it was fairly early stage. It remained under observation at year end, having made considerable business progress.

During 2004 alternatives in the resource sector were explored. Oil and gas projects were investigated, and one in particular was the subject of considerable attention. Increasing energy prices brought with them increasing expectations on the part of the owners of that project, ultimately causing interest to wane. Precious metals projects continued to be reviewed as the entry cost was deemed to be lower, and expenditures in minerals exploration appeared to be more controllable. Toward the end of 2004, the Directors were contemplating making a proposal on one particular project.

A proposal was made on a precious metals mining prospect in 2005. The precious metals prospect is comprised of some 1650 hectares in the Rice Lake Mining area of the Province of Manitoba, Canada. The property is just over 3 miles from a mine that had produced over 1.3 million ounces of gold before being closed because it became uneconomic at \$35 per ounce gold. (This mine has now been reopened.) The company carried out an early stage geological and related work during 2005, through an investment in the company owning the mining claims. It plans to carry out further work in the 2006 summer season.

B. Business overview.

The company's sole activity is its search for a suitable acquisition or acquisitions that can be made and financed at prices and terms that make business sense. The acquisitions targeted will provide products and/or services to customers largely in the United States. They should also have the potential to be grown significantly by excellence in marketing.

World economic conditions, including the trade and budget deficits in the United States, have made the case for precious metals a compelling one. This, combined with the availability of capital for precious metals projects has expanded the acquisition search to include precious metals exploration and development opportunities.

Expected continuing high demand for oil and gas world wide as well as in North America created a compelling case for oil and gas projects. Offsetting this were rapidly increasing expectations on the part of project owners.

In April 2005 the Corporation announced that it has entered into a subscription agreement with Outback Capital Inc. (dba Pinefalls Gold) a privately held Alberta corporation. The agreement calls for the Corporation to invest \$200,000 into Pinefalls Gold via private placement.

Upon receiving proceeds from its private placement Pinefalls Gold commenced recommended phase one exploration work on its seventeen (17) mining claims in the area of Bissett, Manitoba. The claims are included in the Rice Lake greenstone belt and cover an area of approximately 1650 hectares. The claims are the subject of a Qualifying Report dated June 30, 2004 prepared by Edward Sawitzky, P. Geo. of Arc Metals Ltd. (Arc). Arc prepared the report to standards dictated by National Instrument 43-101.

In exchange for its investment, the Corporation will receive 4 million units of Pinefalls Gold. Each unit will consist of one common share and one warrant to purchase an additional common share at \$0.075 for two years. Prior to exercising its warrants the Corporation will own approximately 37% of the then outstanding 10.7 million common shares of Pinefalls Gold. Separately, the Corporation has entered into an Option Agreement with one of the principal shareholders of Pinefalls Gold (the PFG Option) which entitles the Corporation to acquire a further 3 million common shares of Pinefalls Gold in exchange for one million common shares of the Corporation. The PFG Option is exercisable at the Corporation's sole discretion until it expires on March 31, 2006. Assuming the exercise of both the warrants and the PFG Option, the Corporation will own approximately 65% of Pinefalls Gold.

The Corporation and Pinefalls Gold have entered into these arrangements on a non-arms length basis. The two companies have certain directors and principal shareholders in common. The Corporation's directors with conflicts of interest have refrained from voting on the relevant resolutions. The Corporation is relying on exemptions 5.5(3)[corporation not listed on specified markets] and 5.7(3)[fair market value not more than \$2,500,000] from the formal valuation and minority approval requirements of OSC Rule 61-501 regarding Related Party Transactions.

To enable Gemini to meet its funding obligations Gemini has arranged a non-brokered private placement to provide working capital to the Company. Gemini will issue up to 2 million units at \$0.15 per unit, where each unit consists of one common share of Gemini (a Share) and one transferable share purchase warrant (a Warrant). Each warrant will entitle the holder to purchase one common share of Gemini for a term of 24 months, at a price of 18 cents per share. If the common shares of Gemini, at any time after six months after the closing date of the private placement, trade on a recognized stock exchange at a price of \$0.50 per share or greater for 10 consecutive trading days, then Gemini can provide notice to the holders of the warrants and the warrants will expire 30 days after the notice is given.

This private placement raised \$234,050, which was sufficient to carry out the initial recommended work program. This was financed by way of an initial investment of \$90,000 for approximately 17% of the outstanding shares of Pinefalls Gold. The results from this program were sufficiently encouraging that a follow on program is being organized for the 2006 season. At the time of writing, the company is actively seeking additional property prospects, seeking to strengthen management, and seeking additional investment.

C. Organizational structure.

The company is part of no other group, nor does it have any subsidiaries. If the Pinefalls Gold transaction as described herein is consummated it is possible that Pinefalls Gold will become a partially owned subsidiary of the Company

D. Property, plants and equipment.

The Company's head office and principal facility, which is leased, is located at 828 Harbourside Drive, North Vancouver. It has no other property, plant, or equipment.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following discussion and analysis should be read in conjunction with the financial statements and notes thereto included herein (see also Selected Financial Data). The financial statements have been prepared in accordance with Canadian GAAP. Refer to Note 9 to the financial statements for a description of transactions that were subject to material measurement differences between Canadian GAAP and U.S. GAAP under Item 17; however, there were no reportable differences which would require a reconciliation from Canadian GAAP to U.S GAAP during the years ended December 31, 2005, 2004 and 2003.

Overview

The Company's sole focus is on finding and completing a suitable acquisition, or suitable acquisitions. This activity is largely carried out by the directors and large shareholders at their expense. The Company's management team, affiliates and directors have special expertise in the areas of due diligence, financial analysis and corporate finance strategy with respect to emerging growth enterprises. Additionally, the Company retains Dockside Capital Group to provide certain management functions and in so doing can also access its similar expertise. From time-to-time the Company is approached, through referral, to provide these services on a consulting basis. Thus the Company generates revenue by providing these services. As these sources of revenue are not core to the Company's focus, the services are not actively marketed.

Results of Operations

The Company has shown modest losses for the past several years. These losses result largely from having little or no revenue, rather than having unusual expenses. In the prior year the Company elected to write down the value of its passive investment, and this resulted in a loss that was somewhat greater than usual. The expenses of the company are

almost completely related to satisfying regulatory requirements, including the annual meeting, financial reporting, communications with shareholders; and seeking and evaluating acquisition prospects for suitability and ability to attract financing.

The results for the year ended December 31, 2005 were impacted by additional legal and accounting costs related to the private placement to raise funds. The actual exploration costs were funded by Pinefalls Gold from the proceeds of the investment by the company. This investment in Pinefalls Gold shows as an asset to the company and does not appear as a cost on the income statement.

Fluctuations in Results

The Company's annual operating results fluctuate, but very little. Revenues at this point are solely derived from consulting activities which are not core to the Company's focus and will fluctuate greatly based upon the Company's receipt of infrequent, third-party referrals for these services. Expenses fluctuate on the basis of postal rate increases, or reductions in courier or long distance phone rates. Since our daily operations are almost completely related to satisfying regulatory requirements, including the annual meeting, financial reporting, communications with shareholders; and seeking and evaluating acquisition prospects for suitability and ability to attract financing our expenses are dependent on prevailing market rates for communications services and mailing rates. Similarly, our expenses will continue to increase due to the upward pressure on professional fees charged to reporting companies for compliance related services such as legal and audit work as a result of changes to securities legislation throughout North America.

Liquidity and Capital Resources

Since the Company is organized in Canada, the Company's December 31, 2005 consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

As at December 31, 2005, the Company had accumulated losses totaling \$13,376,458. The Company had a working capital surplus of \$86,219 as at December 31, 2005. The continuation of the Company is dependent upon the continued financial support of shareholders as well as obtaining additional financing for the current and subsequent resource projects.

As noted, these conditions raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustment that might arise from uncertainty. However, had the audit been conducted in accordance with U.S. generally accepted auditing standards the auditors would have reflected these concerns in their report and would have included an explanatory paragraph in their report raising concern about the Company's ability to continue as a going concern.

As at December 31, 2005 the Company had cash and term deposits of \$128,126 and a working capital surplus of \$86,219.

Impact of Inflation

The Company believes that inflation has not had a material effect on its past business.

Quantitative and Qualitative Disclosures about Market Risk

Not applicable to the Company.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

It should be noted that the management discussed below is primarily involved with the Company's current activities. As the Company concludes an acquisition or merger, or embarks on any other type of project, additional personnel with differing areas of expertise will be utilized. Directors are elected annually by a majority vote of the shareholders and hold office until the next general meeting of the shareholders. Officers are appointed by, and serve at the discretion of, the board of directors. The names, place of residence, positions within the Company and the principal occupations of the directors and senior officers of the Company are set out below.

A. Directors and senior management.

Name, Municipality of Residence and Position with the Corporation	Age	Principal Occupation and Position During the Past Five Years
Douglas E. Ford (1) West Vancouver, B.C. Director	42	Director since September 10, 1992; General Manager of Dockside Capital, a private merchant banking and venture capital firm, from 1986 to present.
Martin Schultz Vancouver, B.C. Secretary and Director	62	Director and Secretary since March 20, 1990; Self employed corporate development advisor for over 10 years.
John Stanton Queensburg, New York Director	60	Director since November 15, 1990; Self employed pharmacist
Edward Dolejsi Delta, B.C. Director and President	61	Director since March 20, 1990; Vice-President and General Manager of BRI from July, 1994 until April, 1999; self-employed software consultant since May, 1999.

Name, Municipality of Residence and Position with the Corporation	Age	Principal Occupation and Position During the Past Five Years
Edward D. Ford (1) Whistler, B.C. Director	70	Director since March 20, 1990; also has devoted a portion of his time to investment activities and as President of Dockside Capital, a private merchant banking and venture capital firm, for more than the last five years; chartered accountant for more than 20 years.

(1) Edward Ford is the father of Douglas Ford.

B. Compensation.

Management compensation is determined by the board of directors based on competitive prices for services provided. During the year ended December 31, 2005, directors and officers, including private companies controlled by directors and officers, as a group, were paid a total of \$24,000 in management fees and rent. See Item 7. Major Shareholders and Related Party Transactions for more detail on fees paid to members of management or to entities owned by them. For the year ended December 31, 2005, the Company paid no compensation to Directors for acting as Directors. The Company does not have any pension or retirement plans, nor does the Company compensate its directors and officers by way of any material bonus or profit sharing plans. Directors, officers, employees and other key personnel of the Company may be compensated by way of stock options.

C. Board practices.

Pursuant to the provisions of the *Company Act* (BC), the Company's directors are elected annually at the regularly scheduled annual general meeting of shareholders. Each elected director is elected for a one-year term unless he resigns prior to the expiry of his term.

The Company has no arrangements in place for provision of benefits to its directors or upon their termination. The Board has one committee, the Audit Committee, made-up of Messrs. Edward Ford, John Stanton and Douglas Ford. The Audit Committee meets with the auditors annually prior to completion of the audited financial statements and regularly with management during the fiscal year. Subsequent to the period covered by this annual report on May 2, 2006, the Company's board of directors adopted a new charter for the Audit Committee; it is attached hereto as an exhibit.

D. Employees.

Effective at December 31, 2005 the Company had no salaried employees.

E. Share ownership.

A total of ten percent (10%) of the common shares of the Company, outstanding from time to time, are reserved for the issuance of stock options pursuant to the Company's Incentive Stock Option Plan.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS.**A. Major shareholders.**

The following table sets forth certain information regarding beneficial ownership of the Company's shares at December 31, 2005 by (i) each person who is known to own beneficially more than 5% of the Company's outstanding Common Stock, (ii) each of the Company's directors and executive officers and (iii) all current directors and executive officers as a group. The table does not reflect common shares held of record by depositories, but does include currently exercisable options and warrants which are included in the calculation of percentage of class ownership for each individual holder. As of December 31, 2005 there were 9,883,452 common shares issued and outstanding. Each of the listed persons may be reached at the Company's head offices.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
<i>Principal Holders</i>		
Not applicable		
<i>Officers and Directors</i>		
Edward Ford	914,000(1)	10.981
John Stanton	55,000*	0.661
Douglas Ford	914,000(2)	10.981
Martin Schultz	483,167	5.805
Edward Dolejsi	6,200*	0.074
All Officers and Directors as a Group (5 persons)	2,372,367	28.503

* Less than one percent.

(1) Includes 430,000 shares held through Singer Associates Holdings Ltd.

(2) Includes 430,000 shares held through Wink Holdings Ltd.

There are no arrangements, known to the Company, the operation of which may at a subsequent date result in a change in control of the Company.

B. Related party transactions.

During the fiscal year ended December 31, 2005, directors, officers and companies controlled by them have been engaged in the following transactions with the Company:

During the year ended December 31, 2005, a company in which a director has an interest charged the Company \$24,000 (2004: \$38,000, 2003: \$36,000) for rent and management fees. The unpaid portion of these amounts, plus additional advances and other amounts due to directors, aggregating \$34,810 (2004: \$55,395, 2003: \$10,885) was included in accounts payable and accrued liabilities at December 31, 2005.

During the year ended December 31, 2004, a company controlled by a director purchased the Company's investment, a 3% interest in a private company, for \$30,000 resulting in a loss of \$16,024. The \$30,000 purchase price formed part of the year end accounts receivable.

A Company in which a director has an interest was charged \$nil (2004: \$20,000, 2003: \$3,000) for consulting fees during the year ended December 31, 2005. The unpaid portion of these amounts, aggregating \$nil (2004: \$20,000, 2003: \$Nil) was included in accounts receivable.

	2005	2004	2003
Management fees and rent	\$ 24,000	\$ 38,000	\$ 36,000

The above transactions were made on terms as favorable or more favorable to the Company than those that could be obtained from unaffiliated third parties.

ITEM 8. FINANCIAL INFORMATION

The Company is not aware of any significant change since December 31, 2005 that is not otherwise reported in this filing.

ITEM 9. THE OFFER AND LISTING

The shares of the company do not currently trade, pending a successful merger or acquisition. The shares have not traded on an organized market for more than 10 years; as such, there exists no liquidity for the shares.

Subsequent to a successful transaction we anticipate seeking a listing of our shares on the OTC bulletin board and or the TSX Venture Exchange.

ITEM 10. ADDITIONAL INFORMATION

Memorandum and articles of association

1. The company was incorporated as Rainbow Resources Ltd. September 20 1983 under certificate of incorporation no. 268952 in the Province of British Columbia Canada. The name was changed to Widescope Resources Ltd. May 1 1984, to Gemini Technology Inc. September 13 1985, and to International Gemini Technology Inc. September 23 1993. No objects and purposes are described.
 2. If a director has a material interest in a matter subject to a vote, he must declare it and abstain from voting, or have his vote not counted, except for certain specific exclusions which include setting director compensation. There are no restrictions on directors issuing debt however shareholder approval may be required in connection with convertible debt or other debt driven requirements to issue shares. There is no retirement age or share ownership requirement for directors.
 3. Dividends are declared by directors and subject to any special rights, paid to all holders of shares in a class according to the number of shares held. Voting rights are one vote per share. Directors stand for election every year at the annual meeting. Shareholders have no rights to share directly in the company's profits. Subject to prior claims of creditors and preferred shareholders, common shareholders participate in any surplus in the event of liquidation according to the number of shares held. The company may redeem shares by directors' resolution in compliance with applicable law unless the company is insolvent or may become insolvent by doing so. It must make its offer pro rata to every member who holds a class, subject to applicable stock exchange rules or company act provisions. The directors have wide discretion. Shareholders have no liability for further capital calls. No discriminatory provisions, against an existing or prospective shareholder of a substantial number of shares, are imposed by the articles.
 4. Rights of holders of any class of shares can only be changed with their consent, and in accordance with the company act. Consent must be in writing by the holders or by a three fourths majority of a vote of the holders, and by the consent of the British Columbia Securities Commission.
 5. A notice convening an annual general or special meeting must specify the place, date, hour, and in the case of a special meeting, the general nature of the special business, and must be given in accordance with the company act. There are no special conditions outlining rights of admission.
 6. There are no limitations on rights to own securities.
 7. There are no provisions to delay, defer, or prevent a change in control.
 8. Nothing in the articles requires ownership disclosure.
 9. Not applicable.
 10. Not applicable.
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Material contracts

The Company entered into a subscription agreement to invest \$200,000 into Outback Capital Inc. dba Pinefalls Gold (PFG) a private Alberta Company with certain directors and principal shareholders in common with the Company. PFG is an exploration company with mining claims located in the area of Bissett, Manitoba. The Company will invest \$200,000 in exchange for 4 million units at \$0.05 per unit, each unit comprised of one common share and one warrant to purchase an additional common share at \$0.075 for a period of two years. Prior to exercising the warrants, after making the investment of \$200,000 the Company will own approximately 37% of the common shares of PFG. As at December 31, 2005, the Company had invested \$90,000 for 1.8 million units, approximately 17% of the outstanding common shares of PFG.

In addition the Company entered into an option agreement with one of the principal shareholders of PFG, a director of the Company, which entitles the company to acquire a further 3 million common shares of PFG in exchange for one million common shares of the Company. The option, exercisable at the Company's discretion, is exercisable until March 31, 2007.

Exchange Controls

This summary is of a general nature only and is not intended to be, and should not be interpreted as, legal advice to any prospective purchaser. Accordingly, prospective purchasers of the Company's shares should consult with their own advisors with respect to their individual circumstances.

There are no laws or governmental decrees or regulations in Canada that restrict the export or import of capital, or which affect the remittance of dividends, interest or other payments to holders of the Company's securities who are not residents of Canada, other than withholding tax requirements. Reference is made to Item 7. Taxation .

There are no limitations imposed by the laws of Canada, the laws of Alberta or by the charter or other governing documents of the Company on the right of a non-resident to hold or vote common shares of the Company, other than as provided in the Investment Canada Act (the Investment Act) and the potential requirement for a Competition Act Review.

The following summarizes the principal features of the Investment Act and the Competition Act Review for a non-resident who proposes to acquire common shares. This summary is of a general nature only and is not intended to be, nor is it, a substitute for independent advice from an investor's own advisor. This summary does not anticipate statutory or regulatory amendments.

The Canadian Investment Act

The Canadian Investment Act generally prohibits implementation of a reviewable investment by an individual, government or agency thereof, corporation, partnership, trust or joint venture that is not a Canadian as defined in the Investment Act (a non-

Canadian), unless, after review, the minister responsible for the Investment Act (the Minister) is satisfied that the investment is likely to be of a net benefit to Canada. Under the Investment Act, a United States citizen qualifies as a World Trade Organization Investor. Subject to the restrictions noted below, an investment in a Canadian business by a World Trade Organization Investor would be reviewable under the Investment Act only if it is an investment to acquire control of such Canadian business and the value of the assets of the Canadian business as shown on its financial statements is not less than a specified amount, which for 1999 was \$184 million. An investment in the shares of a Canadian business by a non-Canadian other than a World Trade Organization Investor when the Company is not controlled by a World Trade Organization Investor, would be reviewable under the Investment Act if it is an investment to acquire control of the Canadian business and the value of the assets of the Canadian business as shown on its financial statements is \$5 million or more, or if an order for review is made by the federal cabinet on the grounds that the investment relates to Canada's cultural heritage or national identity.

The acquisition by a World Trade Organization Investor of control of a Canadian business in any of the following sectors is also subject to review if the value of the assets of the Canadian business exceeds \$5 million (as shown on its financial statements): uranium, financial services (except insurance), transportation services and cultural businesses, which include broadcast media (publication, distribution or sale of books, magazines, periodicals, newspapers, music, film and video products and the exhibition of film and video products), television and radio services. As the Company's business does not fall under any of the aforementioned categories, the acquisition of control of the Company, in excess of the \$5 million threshold, by a World Trade Organization Investor would not be subject to such review.

A non-Canadian would acquire control of the Company for purposes of the Investment Act if the non-Canadian acquired a majority of the common shares.

The acquisition of less than a majority but one-third or more of the common shares would be presumed to be an acquisition of control of the Company unless it could be established that, on acquisition, the Company was not controlled in fact by the acquirer through the ownership of common shares. Notwithstanding the review provisions, any transaction involving the acquisition of control of a Canadian business or the establishment of a new business in Canada by a non-Canadian is a notifiable transaction and must be reported to Industry Canada by the non-Canadian making the investment either before or within thirty days after the investment.

Certain transactions relating to common shares are exempt from the Investment Act, including:

- an acquisition of common shares by a person in the ordinary course of that person's business as a trader or dealer in securities;

an acquisition of control of the Company in connection with the realization of security granted for a loan or other financial assistance and not for a purpose related to the provisions of the Investment Act; and an acquisition of control of the Company by reason of an amalgamation, merger, consolidation or corporate reorganization, following which the ultimate direct or indirect control in fact of the Company, through the ownership of common shares, remained unchanged.

Canadian Competition Act Review

Investments giving rise to the acquisition or establishment, directly or indirectly, by one or more persons of control over, or a significant interest in the whole or part of a business of a competitor, supplier, customer or other person are subject to substantive review by Canada's Competition Law Authority, the Director of Investigation and Research (the

Director). If or when the Director concludes that a merger, whether by purchase or lease of shares or assets, by amalgamation or by combination, or otherwise, prevents or lessens, or is likely to prevent or lessen competition substantially, he may apply as may be necessary to eliminate the substantial lessening or prevention of competition. Such substantive merger review power applies to all mergers, whether or not they meet limits for pre-notification under the Competition Act.

In addition to substantive merger review, the Competition Act provides for a pre-notification regime respecting mergers of a certain size. The regime applies in respect of share acquisitions, asset acquisitions, amalgamations and combinations. For ease of reference, this filing refers specifically to share acquisition, although the pre-notification regime applies, with the appropriate modification, to other types of acquisition of control as well.

In order for a share acquisition transaction to be pre-notifiable, the parties to the transaction (being the person or persons who proposed to acquire shares, and the corporation the shares of which are to be acquired), together with their affiliates (being all firms with a 50% or more voting shares linkage up and down the chain) must have:

- (i) aggregate gross assets in Canada that exceed \$400,000,000 in value, as shown on their audited financial statements for the most recently completed fiscal year (which must be within the last fifteen (15) months); or
- (ii) aggregate gross revenue from sales in, from or into Canada that exceed \$400,000,000 for the most recently completed fiscal year shown on the said financial statements; and
- (iii) the party being acquired or corporations controlled by that party must have gross assets in Canada, or gross revenues from sales in or from Canada, exceeding \$35,000,000 as shown on the said financial statements.

Acquisition of shares carrying up to 20% of the votes of a publicly-traded corporation, or 35% of the votes in a private corporation, will not be subject to pre-notification, regardless of

the above thresholds. However, exceeding the 20% or the 35% threshold, and again exceeding the 50% threshold, gives rise to an obligation of notification if the size threshold is met.

If a transaction is pre-notifiable, a filing must be made with the Director containing the prescribed information with respect to the parties, and a waiting period (either seven or twenty-one days, depending on whether a long or short form filing is chosen) must expire prior to closing.

As an alternative to pre-notification, the Director may grant an Advance Ruling Certificate, which exempts the transaction from pre-notification. Advance Ruling Certificates are granted where the Director concludes, based on the information provided to him, that he would not have sufficient grounds on which to apply to the Competition Tribunal to challenge the Merger.

Taxation

This summary is of a general nature only and is not intended to be, and should not be interpreted as, legal or tax advice to any prospective purchaser or holder of the Company's shares and no representation with respect to the Canadian federal income tax consequences to any such prospective purchaser is made. Accordingly, prospective purchasers of the Company's shares should consult with their own tax advisors with respect to their individual circumstances.

The following summary describes the principal Canadian federal income tax considerations generally applicable to a holder of the Company's shares who, for purposes of the Income Tax Act (Canada) (the Canadian Tax Act) and the Canada-United States Income Tax Convention, 1980 (the Convention) and at all relevant times is resident in the United States and not resident in Canada, deals at arm's length with the Company, holds the Company's shares as capital property, and does not use or hold and is not deemed to use or hold the Company's shares in or in the course of carrying on business in Canada (a United States Holder).

This following summary is based upon the current provisions of the Canadian Income Tax Act, the regulations thereunder, all specific proposals to amend the Canadian Tax Act and the regulations announced by the Minister of Finance (Canada) prior to the date hereof and the Company's understanding of the published administrative practices of the Canada Customs and Revenue Agency (formerly Revenue Canada, Customs, Excise and Taxation). This summary does not take into account or anticipate any other changes in the governing law, whether by judicial, governmental or legislative decision or action, nor does it take into account the tax legislation or considerations of any province, territory or non-Canadian jurisdiction (including the United States), which legislation or considerations may differ significantly from those described herein.

Dividends On The Company's Shares

Generally, dividends paid by Canadian corporations to non-resident shareholders are subject to a withholding tax of 25% of the gross amount of such dividends. However,

pursuant to the Convention, the withholding tax rate on the gross amount of dividends paid to residents of the United States is reduced to 15% or, in the case of a United States corporation which owns at least 10% of the voting stock of the Canadian corporation paying the dividends, to 5% of the gross amount of such dividends.

Pursuant to the Convention, certain tax-exempt entities resident in the United States may be exempt from Canadian withholding taxes, including any withholding taxes levied in respect of dividends received on the Company's shares.

Disposition Of The Company's Shares

In general, a United States shareholder will not be subject to Canadian income tax on capital gains arising on the disposition of the Company's shares, unless such shares are taxable Canadian property within the meaning of the Canadian Income Tax Act and no relief is afforded under any applicable tax treaty. The shares of the Company would be taxable Canadian property of a non-resident if at any time during the five-year period immediately preceding a disposition by the non-resident of such shares, not less than 25% of the issued shares of any class or series of all classes of shares of the Company belonged to the non-resident, to persons with whom the non-resident did not deal at arm's length, or to the non-resident and persons with whom the non-resident did not deal at arm's length for purposes of the Canadian Income Tax Act. For this purpose, issued shares include options to acquire such shares (including conversion rights) held by such persons. Under the Convention, a capital gain realized by a resident of the United States will not be subject to Canadian tax unless the value of the shares of the Company is derived principally from real estate (as defined in the Convention) situated in Canada.

Documents on display

All documents referenced in this Form 20-F may be viewed at the offices of the Company during business hours #208 828 Harbourside Drive, North Vancouver BC V7P 3R9 Canada, Telephone 604-904-8481.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

Not applicable

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

Not applicable

ITEM 15. CONTROLS AND PROCEDURES

Disclosure Controls And Procedures

Our President and Acting Chief Accounting Officer, performing the function of principal executive and principal financial officer, respectively, have evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the fiscal year covered by this annual report on Form 20-F (in accordance with Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended). Based on this evaluation, our President and Acting Chief Accounting Officer have concluded that these disclosure controls and procedures are effective and designed to ensure that the information required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the requisite time periods.

Management's Annual Report On Internal Control Over Financial Reporting

Our President and Acting Chief Accounting Officer, performing the function of principal executive and principal financial officer, respectively, have evaluated the effectiveness of the design and operation of our internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended) as of the end of the fiscal year covered by this annual report on Form 20-F. Based on this evaluation, our President and Acting Chief Accounting Officer have concluded that these internal controls over financial reporting are effective and provide reasonable assurance regarding the reliability of our financial reporting and the preparation of our financial statements for external purposes in accordance with generally accepted accounting principles.

During the course of their evaluation, our President and Acting Chief Accounting Officer did not discover any fraud involving management or any other personnel who play a significant role in our disclosure controls and procedures or internal controls over financial reporting. Furthermore, because there were no significant deficiencies and/or material weaknesses discovered no remedial measures were necessary or taken during the period covered by this report to correct any such deficiencies.

Attestation Report Of The Registered Public Accounting Firm

Not applicable.

Changes In Internal Control Over Financial Reporting

No changes in our disclosure controls and procedures or other factors have occurred during the fiscal year covered by this annual report on Form 20-F that would materially affect or be reasonably likely to materially affect our disclosure controls and procedures.

ITEM 16.

A. Audit Committee Financial Expert

The company has as its audit committee financial expert Mr. Edward D. Ford who is a Canadian Chartered Accountant. He has held these professional qualifications since 1961. During his career Mr. Ford has been an associate, manager and partner of several Canadian professional accounting firms that specialized in audit/assurance, taxation, insolvency and independent business consulting. Additionally he has served as a Chief Financial Officer of several public companies.

B. Code Of Ethics

The Company has adopted a code of ethics applicable to its directors, principal executive officer, principal financial officer, principal accounting procedures, and persons performing similar functions. The Company has attached its code of ethics as an exhibit to this report and a copy of the Company's Code of Ethics will be made available to anyone who requests it in writing from the Company's head office.

C. Principal Accounting Fees And Services

(a) Audit Fees

Dale Matheson Carr-Hilton LaBonte, Chartered Accountants (DMCL) billed the Corporation \$9,000 for audit fees in the year ended December 31, 2005 and \$6,200 in 2004. The former auditor, Charlton & Company, Chartered Accountants billed \$2,675 in 2004.

(b) Audit Related Fees

DMCL did not provide the Corporation with any assurance and related services in the years ended December 31, 2005 and 2004. The former auditor, Charlton & Company, Chartered Accountants billed \$nil in 2004.

(c) Tax Fees

DMCL did not provide the Corporation with any professional services rendered for tax compliance, tax advice and tax planning in the years ended December 31, 2005 and 2004. The former auditor, Charlton & Company, Chartered Accountants billed \$nil in 2004.

(d) All Other Fees

DMCL did not bill the Corporation for any other products and services in the years ended December 31, 2005 and 2004. The former auditor, Charlton & Company, Chartered Accountants billed \$nil in 2004.

(e) Audit Committee Pre-Approval Policies and Procedures

To ensure continuing auditor objectivity and to safeguard the independence of our auditors, our audit committee has determined a framework for the type and authorization of non-audit services which our auditors may provide. The audit committee has adopted policies for the pre-approval of specific services that may be provided by our auditors. The dual objectives of these policies are to ensure that we benefit in a cost effective manner from the cumulative knowledge and experience of our auditors, while also ensuring that the auditors maintain the necessary degree of independence and objectivity.

Our audit committee approved the engagement of Dale Matheson Carr-Hilton LaBonte to render audit and non-audit services before they were engaged by us.

D. Exemption From the Listing Standards for Audit Committees

Not Applicable

E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Not Applicable

ITEM 17. FINANCIAL STATEMENTS

The financial statements and notes thereto as required by Item 17 are attached hereto and found immediately after the text of this Registration Statement. The auditors' report of Dale Matheson Carr-Hilton LaBonte, independent registered public accountants, on the audited financial statements and notes thereto is included immediately preceding the audited financial statements.

Auditors' Report.

Balance Sheets as at December 31, 2005 and 2004.

Statements of Operations and Deficit for the years ended December 31, 2005, 2004 and 2003.

Statements of Cash Flows for the years ended December 31, 2005, 2004 and 2003.

Notes to the Financial Statements.

ITEM 18. FINANCIAL STATEMENTS

Not applicable. See Item 17. Financial Statements above.

ITEM 19. EXHIBITS

Attached hereto are the following exhibits:

- 12.1 Certification of President pursuant to s.302 of the Sarbanes-Oxley Act of 2002
- 12.2 Certification of Director pursuant to s.302 of the Sarbanes-Oxley Act of 2002
- 13.1 Certification of President pursuant to s.906 of the Sarbanes-Oxley Act of 2002
- 13.2 Certification of Director pursuant to s.906 of the Sarbanes-Oxley Act of 2002
- 99.1 Audit Committee Charter adopted May 2, 2006
- 99.2 Code of Ethics

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

INTERNATIONAL GEMINI
TECHNOLOGY INC.

Date: June 26, 2006

By: /s/ Martin Schultz
Name: Martin Schultz
Title: Secretary and Director, as duly
authorized signatory

INDEPENDENT AUDITORS REPORT

To the Shareholders of International Gemini Technology, Inc.

We have audited the balance sheets of International Gemini Technology, Inc. as at December 31, 2005 and 2004 and the statements of operations and deficit, and cash flows for the years then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards and with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2005 and 2004 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

The audited financial statements for the year ended December 31, 2003 were audited by other auditors who expressed an opinion without reservation on those statements in their report dated February 10, 2004.

Dale Matheson Carr-Hilton LaBonte

Vancouver, Canada

April 12, 2006

Chartered Accountants

COMMENTS BY AUDITORS FOR U.S. READERS ON CANADA UNITED STATES REPORTING DIFFERENCES

In the United States, reporting standards for auditors require the addition of an explanatory paragraph (following the opinion paragraph) when the financial statements are affected by conditions and events that cast substantial doubt on the Company's ability to continue as a going concern, such as those described in Note 1 to the financial statements. Our report to the shareholders dated April 12, 2006 is expressed in accordance with Canadian reporting standards which do not permit a reference to such events and conditions in the auditors' report when these are adequately disclosed in the financial statements.

Dale Matheson Carr-Hilton LaBonte

Vancouver, Canada

April 12, 2006

Chartered Accountants

International Gemini Technology Inc.
(a development stage company)

Balance Sheets

As at December 31,

(Expressed in Canadian Dollars)

	2005	2004
<u>ASSETS</u>		
Current		
Cash	\$ 128,126	\$ 1,472
Accounts receivable (Note 4(b))	312	52,398
	128,438	53,870
PFG Investment (Note 4(a))	90,000	
	\$ 218,438	\$ 53,870
<u>LIABILITIES</u>		
Current		
Accounts payable and accrued liabilities	\$ 42,219	\$ 56,897

Nature and Continuance of Operations (Note 1)

SHAREHOLDERS EQUITY (CAPITAL DEFICIENCY)

Share capital common (Note 6)	12,894,609	12,660,559
Share capital preferred (Note 6)	604,724	604,724
Contributed surplus	53,344	53,344
Deficit	(13,376,458)	(13,321,654)
	176,219	(3,027)
	\$ 218,438	\$ 53,870

Approved by the directors:

Director Edward D. Ford

Director Martin Schultz

See accompanying notes.

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International Gemini Technology Inc.
(a development stage company)
Statements of Operations and Deficit
For the Years Ended December 31,
(Expressed in Canadian Dollars)

	2005	2004	2003
Revenue (Note 5)	\$	\$ 20,000	\$ 3,000
General and administrative (Note 5)	54,804	43,718	40,863
Loss on sale of investment (Note 4(b))		16,024	
	54,804	59,742	40,863
Net loss	(54,804)	(39,742)	(37,863)
Deficit, beginning of year	(13,321,654)	(13,281,912)	(13,244,049)
Deficit, end of year	\$(13,376,458)	\$(13,321,654)	\$(13,281,912)
Basic and diluted loss per common share	\$ (0.01)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding basic and diluted	9,084,049	8,323,119	8,323,119

See accompanying notes.

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International Gemini Technology Inc.
(a development stage company)
Statements of Cash Flows
For the Years Ended December 31,
(Expressed in Canadian Dollars)

	2005	2004	2003
Cash provided by (used in):			
Operating activities			
Net loss	\$ (54,804)	\$ (39,742)	\$ (37,863)
Item not affecting cash:			
Loss on sale of investment		16,024	
Changes in working capital balances:			
Accounts receivable	22,086	(21,311)	109,479
Accounts payable and accrued liabilities	(14,678)	44,542	(70,253)
Net cash provided by (used in) operating activities	(47,396)	(487)	1,363
Investing activities			
Investment in PFG	(90,000)		
Receipt of proceeds from sale of BWN investment	30,000		
Net cash used in investing activities	(60,000)		
Financing Activities			
Proceeds from issuance of common stock	234,050		
Net cash provided by financing activities	234,050		
Net increase (decrease) in cash	126,654	(487)	1,363
Cash, beginning of year	1,472	1,959	596
Cash, end of year	\$ 128,126	\$ 1,472	\$ 1,959

Supplemental cash flow information:

Interest paid	\$	\$	\$
Income taxes paid	\$	\$	\$

See accompanying notes.

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International Gemini Technology Inc.
(a development stage company)
Notes to the Financial Statements
December 31, 2005 and 2004
(Expressed in Canadian Dollars)

1. Nature and Continuance of Operations

The sole activity of International Gemini Technology Inc. (the Company) is its search for a suitable acquisition or acquisitions that can be made and financed at prices and terms that make business sense. The Company's continued operations are dependent upon its ability to identify, evaluate and negotiate an acquisition of, a participation in or an investment of an interest in a transaction.

The Company has incurred substantial losses to date and additional losses are anticipated in future business acquisition and development. These financial statements are prepared on a going concern basis which implies that the Company will continue to realize the carrying value of its assets and discharge its liabilities in the normal course of business. The financial statements do not reflect any adjustments to the carrying value of assets or liabilities that would be necessary should the Company be unable to operate as a going concern. The Company's ability to continue as a going concern is subject to obtaining financing, acquiring or establishing business operations and ultimately on achieving profitable operations. (Note 4)

2. Significant Accounting Policies

These financial statements have been prepared in accordance with accounting principles generally accepted (GAAP) in Canada, which, except as described in Note 9, conform in all material respects with accounting principles generally accepted in the United States. Outlined below are those policies considered particularly significant to the Company.

(a) Stock-based compensation

Effective January 1, 2004, the Company adopted the new recommendations of the Canadian Institute of Chartered Accountants (CICA) Handbook Section 3870 Stock-Based Compensation and Other Stock-Based Payments. These recommendations establish standards for the recognition, measurement and disclosure of stock-based compensation and other stock-based payments in exchange for goods and services. The standard requires that all new or altered stock-based awards provided to employees and non-employees are measured and recognized using a fair value based method. Fair values are determined using the Black-Scholes option pricing model. Any consideration paid by the option holder on the exercise of the options is credited to share capital.

(b) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the year. Actual results could differ from these estimates.

(c) Income taxes

The Company follows the liability method of accounting for income taxes whereby future income tax assets and liabilities are computed based on differences between the carrying amount of assets and liabilities on the balance sheet date and their corresponding tax values using the enacted income tax rates at each balance sheet date. Future income tax assets also result from unused loss carry-forwards and other deductions. The valuation of future income tax assets is reviewed annually and adjusted, if necessary, by use of a valuation allowance to reflect the estimated realizable amount.

International Gemini Technology Inc.
(a development stage company)
Notes to the Financial Statements
December 31, 2005 and 2004
(Expressed in Canadian Dollars)

2. Significant Accounting Policies (continued)

(d) Loss per share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on loss per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. Loss per share is calculated using the weighted-average number of shares outstanding during the year.

Diluted loss per share figures are equal to those of basic loss per share for each year since the effects of the convertible preferred shares have been excluded as they are anti-dilutive.

(e) Revenue recognition

Revenue will be recognized when the requirements as to performance for transactions involving services are met, the amounts involved are determinable and ultimate collection is reasonably assured at the time of performance.

(f) Impairment of long-lived assets

On January 1, 2004, the Company early adopted the new CICA Handbook Section 3063 Impairment of Long-Lived Assets recommendations. These recommendations provide accounting guidance for the recognition, measurement and disclosure of impairment of long-lived assets, including property, plant and equipment and intangible assets with infinite useful lives. They require the recognition of an impairment loss for a long-lived asset when events or changes in circumstances causes its carrying value to exceed the total undiscounted future cash flows expected from its use and eventual disposition. The impairment loss is calculated by deducting the fair value of the asset from its carrying value. This policy has been adopted prospectively and has had no effect on these financial statements.

(g) Investments

Long-term investments are carried at cost. If it is determined that the value of the investment is permanently impaired, it is written down to its estimated net realizable value.

The Company accounts for its investment in PFG using the cost basis as it does not have significant influence on its investment.

(h) Comparative figures

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year.

3. Financial Instruments

The Company's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments due to the short term to maturity. The fair value of these financial instruments approximate their carrying values.

International Gemini Technology Inc.
(a development stage company)
Notes to the Financial Statements
December 31, 2005 and 2004
(Expressed in Canadian Dollars)

4. Investments

a) PFG Investment

The Company entered into a subscription agreement to invest \$200,000 into Outback Capital Inc. dba Pinefalls Gold (PFG) a private Alberta company with certain directors and principal shareholders in common with the Company. PFG is an exploration company with mining claims located in the area of Bissett, Manitoba. The Company will invest \$200,000 in exchange for 4 million units at \$0.05 per unit with each unit comprised of one common share and one share purchase warrant to purchase an additional common share at \$0.075 for a period of two years. Prior to exercising the warrants, the Company will own approximately 37% of the common shares of PFG. As at December 31, 2005, the Company had invested \$90,000 in exchange for 1.8 million units under this subscription agreement, approximately 17% of the outstanding common shares of PFG. The Company expects to advance the balance of the funds prior to the end of the second quarter of 2006.

In addition, the Company entered into an option agreement with one of the principal shareholders of PFG, a director of the Company, which entitles the Company to acquire a further 3 million common shares of PFG in exchange for one million common shares of the Company. The option is exercisable at the Company's discretion and it expired on March 31, 2006. The parties subsequently agreed to extend the agreement until March 31, 2007.

Upon completely funding the subscription agreement and in the event that the Company exercises both the warrants and the option, the Company would own approximately 65% of the common shares of PFG.

To fund its commitment to the PFG investment, the Company has arranged a non-brokered private placement to provide working capital to the Company. The Company will issue up to 2 million units at \$0.15 per unit with each unit comprised of one common share and one share purchase warrant. Each warrant will entitle the holder to purchase one common share for a period of 24 months at \$0.18 per share. To date, the Company has issued 1,560,333 units and raised \$234,050 in connection with this financing.

b) BWN Investment

During the year ended December 31, 2004, an investment was recorded at cost and represented a 3% interest in a private company, B.W.N. Oil Technologies Inc. (BWN).

The BWN investment was sold during 2004 to a company with a common director for \$30,000 resulting in a loss of \$16,024. Included in accounts receivable at December 31, 2004 is the sale amount of \$30,000 which was received in fiscal 2005.

5. Related Party Transactions

During the year ended December 31, 2005, a company in which a director has an interest charged the Company \$24,000 (2004: \$38,000; 2003: \$36,000) for rent and management fees. The unpaid portion of these amounts, plus additional advances and other amounts due to directors, aggregating \$34,810 (2004: \$55,395) is included in

accounts payable and accrued liabilities at December 31, 2005.

A company in which a director has an interest was charged \$nil (2004: \$20,000; 2003: \$3,000) for consulting fees during the year ended December 31, 2005.

Related party transactions were in the normal course of business and have been recorded at the exchange amount. Amounts due to related parties are unsecured, non-interest bearing and without specific terms of repayment.

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International Gemini Technology Inc.
(a development stage company)
Notes to the Financial Statements
December 31, 2005 and 2004
(Expressed in Canadian Dollars)

6. Share Capital

- a) The authorized capital of the Company comprises 100,000,000 common shares without par value and 100,000,000 Series 1 convertible preferred shares without par value. The rights and restrictions of the preferred shares are as follows:
- i) dividends shall be paid at the discretion of the directors;
 - ii) the holders of the preferred shares are not entitled to vote except at meetings of the holders of the preferred shares, where they are entitled to one vote for each preferred share held;
 - iii) the shares are convertible at any time; and
 - iv) the number of the common shares to be received on conversion of the preferred shares is to be determined by dividing the conversion value of the share, \$1 per share, by \$0.45.
- b) i) Common shares

	2005		2004	
	Shares	\$	Shares	\$
Balance, beginning of year	8,323,119	12,660,559	8,323,119	12,660,559
Issued via private placement (Note 4a)	1,560,333	234,050		
Balance, end of year	9,883,452	12,894,609	8,323,119	12,660,559

- ii) Preferred shares

	2005		2004	
	Shares	\$	Shares	\$
Balance, beginning and end of year	604,724	604,724	604,724	604,724

- iii) Warrants

	2005	2004
Balance, beginning of year		
Issued	1,560,333	
Balance, end of year	1,560,333	

- iv) Stock options: As of December 31, 2005 and 2004, there were no stock options outstanding.

The warrants were issued in conjunction with the June 2005 private placement of common shares (Note 4(a)). Each warrant gives the holder the right to purchase one common share of the Company at \$0.18 per share on or before the expiry of the warrants on June 7, 2007.

International Gemini Technology Inc.
(a development stage company)
Notes to the Financial Statements
December 31, 2005 and 2004
(Expressed in Canadian Dollars)

7. Income Taxes

The potential future tax benefit of these losses has not been recorded as a full-future tax asset valuation allowance has been provided due to the uncertainty regarding the realization of these losses

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2005	2004	2003
Loss before income taxes	\$ 54,804	\$39,742	\$ 37,863
Income tax recovery at statutory rates	\$ 19,072	\$14,156	\$ 13,479
Unrecognized benefit of capital loss		(5,708)	
Unrecognized benefit of non-capital losses	(19,072)	(8,448)	(13,479)
Total income taxes	\$	\$	\$

The significant components of the Company's future income tax assets are as follows:

	2005	2004	2003
Future income tax assets:			
Non-capital losses carried forward	\$ 61,814	\$ 42,742	\$ 34,294
Capital losses carried forward	1,506	1,506	
Research and development expenses carried forward	1,220,128	1,220,128	1,220,128
Valuation allowance	(1,283,448)	(1,264,376)	(1,254,422)
Net future income tax asset	\$	\$	\$

The Company has approximately \$175,000 in non-capital losses that can be offset against taxable income in future years which expire at various dates to the year ended December 31, 2014 and approximately \$8,000 in capital losses which may be available to offset future taxable capital gains which can be carried forward indefinitely.

In addition, the Company has accumulated timing differences comprised primarily of research and development expenditures not yet deducted for income tax purposes of \$3,427,326.

The related potential income tax benefits with respect to these items have not been recorded in the accounts. Application and expiration of these carryforward balances are subject to relevant provisions of the Income Tax Act, Canada.

8. Subsequent Event

In March 2006, the Company negotiated an extension to the option agreement (see Note 4(a)) which extends the exercise date to March 31, 2007. The option with one of the principal shareholders of PFG, a director of the Company, entitles the Company to acquire a further 3 million common shares of PFG in exchange for one million common shares of the Company.

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9. Reconciliation between Canadian and United States Generally Accepted Accounting Principles

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (Canadian GAAP). There were no reported differences for the Company for the years ended December 31, 2005, 2004, and 2003 which would require reconciliation from Canadian GAAP to US GAAP. However, a description of accounting principles generally accepted in the United States (US GAAP) and practices prescribed by the US Securities and Exchange Commission (SEC) that ordinarily result in material measurement differences from Canadian GAAP are as follows:

(a) Stock-based compensation

The Financial Accounting Standards Board (FASB) in the US issued Statement of Financial Accounting Standards (SFAS) No. 123, *Accounting for Stock-Based Compensation*. The statement encourages entities to adopt a fair value methodology of accounting for employee stock-based compensation.

As permitted by the statement, the Company has continued measuring compensation costs using the intrinsic value based method of accounting for stock-based compensation issued to employees as prescribed by APB Opinion No. 25. Under the intrinsic value method, compensation cost is the excess, if any, of the quoted market value of the stock at the date of the granting of options to employees and directors to purchase stock over the amount an optionee must pay to acquire the stock at that date. This excess is recognized by a charge to operations over the vesting period. As the exercise price of options granted by the Company to employees and directors approximates, or is greater than, the market value at the grant date, the Company has determined no compensation cost is required to be recorded for US GAAP purposes, relating to employee stock-based compensation awards.

However, commencing January 1, 2004 under Canadian GAAP, the Company records employees stock compensation using the fair value method, accordingly for 2004 an adjustment is required to reconcile to US GAAP.

Under SFAS No. 123, stock options granted to non-employees for services rendered to the Company are required to be accounted for as compensation cost and charged to operations as the services are performed and the options are earned. The compensation cost is to be measured based on the fair value of the stock options granted. This method is similar to the Canadian GAAP adopted as of January 1, 2002. The stock-based compensation expense in respect of stock options granted to non-employees, under US GAAP, based upon the fair value of the options granted, determined using the Black-Scholes option pricing model, would be \$nil cumulatively from the date of adoption of SFAS No. 123 to December 31, 2001.

In December 2004, the FASB issued SFAS No. 123(R) (revised 2004), *Share-Based Payment*. SFAS No. 123(R) will provide investors and other users of financial statements with more complete and neutral financial information by requiring that the compensation cost relating to share-based payment transactions be recognized in financial statements. That cost will be measured based on the fair value of the equity or liability instruments issued. SFAS No. 123(R) covers a wide range of share-based compensation arrangements including share

options, restricted share plans, performance-based awards, share appreciation rights, and employee share purchase plans. SFAS No. 123(R) replaces FASB Statement No. 123, *Accounting for Stock-Based Compensation*, and supersedes APB Opinion No. 25, *Accounting for Stock Issued to Employees*. Public entities will be required to apply SFAS No. 123(R) as of the first interim or annual reporting period that begins after June 15, 2005 or December 15, 2005 for small business issuers.

The Company anticipates that upon adoption of SFAS No. 123(R) there will be no material difference between stock compensation as determined under US GAAP versus that determined under Canadian GAAP.

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9. Reconciliation between Canadian and United States Generally Accepted Accounting Principles (continued)

(b) Earnings per share

With respect to contingently issuable shares held in escrow, US GAAP requires that contingently issuable shares only be included in the calculation of earnings per share when eligible for release from escrow. Consequently, contingently issuable escrow shares would not have been included in weighted average common shares outstanding and therefore would not have been included in the calculation of loss per share for the year.

(c) Income taxes

Under US GAAP, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Under Canadian GAAP, the effect of a change in tax rates is recognized in the period of substantive enactment. The application of this difference under US GAAP does not result in a material difference between future income taxes as recorded under Canadian GAAP.

(d) Reporting comprehensive income

SFAS No. 130, *Reporting Comprehensive Income*, establishes standards for the reporting and display of comprehensive income and its components in a full set of general purpose financial statements. Comprehensive income equals net income (loss) for the year as adjusted for all other non-owner changes in shareholders' equity. SFAS 130 requires that all items that are required to be recognized under accounting standards as components of comprehensive income be reported in a financial statement. For the years ended December 31, 2005, 2004 and 2003, comprehensive loss equals the net loss.

(e) Development stage company

Pursuant to US GAAP, the Company would be considered a development stage company as the Company is devoting its efforts to establishing commercially viable mineral properties. However, the identification of the Company as such for accounting purposes does not impact the measurement principles applied to these financial statements.

(f) Recent accounting pronouncements

In December 2004, the FASB issued SFAS No. 123R, *Share-Based Payment*. SFAS No. 123R establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity's equity instruments or that may be settled by the issuance of those equity instruments. SFAS No. 123R focuses primarily on accounting for transactions in which an entity obtains employee services in share-based payment transactions. SFAS No. 123R requires that the compensation cost relating to share-based payment transactions be recognized in financial statements. That cost will be measured based on the fair value of the equity or liability instruments issued. Public entities that file as small business

issuers will be required to apply SFAS No. 123R in the first interim or annual reporting period that begins after December 15, 2005. Management is currently evaluating the impact of the adoption of this standard on the Company's reported financial position or results of operations

In March 2005, the SEC staff issued Staff Accounting Bulletin (SAB) No. 107, *Share-Based Payment*, to give guidance on the implementation of SFAS No. 123R. The Company will consider SAB No. 107 during the implementation of SFAS No. 123R.

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9. Reconciliation between Canadian and United States Generally Accepted Accounting Principles (continued)

(f) Recent accounting pronouncements (continued)

In May 2005, the FASB issued SFAS No. 154, *Accounting for Changes and Error Corrections - A Replacement of APB Opinion No. 20 and FASB Statement No. 3*. Under the provisions of SFAS No. 154, a voluntary change in accounting principle requires retrospective application to prior period financial statements, unless it is impracticable to determine either the period-specific effects or the cumulative effect of the change. A change in depreciation, amortization, or depletion method for long-lived, non-financial assets must be accounted for as a change in accounting estimate affected by a change in accounting principle. The guidance contained in APB No. 20 for reporting the correction of an error in previously issued financial statements and a change in accounting estimate was not changed. The Company will implement this new standard beginning January 1, 2006. This standard is not expected to have a significant effect on the Company's future reported financial position or results of operations.

In November 2005, the FASB issued Staff Position (FSP) FAS115-1/124-1, *The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments*, which addresses the determination as to when an investment is considered impaired, whether that impairment is other than temporary, and the measurement of an impairment loss. This FSP also includes accounting considerations subsequent to the recognition of an other-than-temporary impairment and requires certain disclosures about unrealized losses that have not been recognized as other-than-temporary impairments. The guidance in this FSP amends FASB Statements No. 115, *Accounting for Certain Investments in Debt and Equity Securities*, and No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*, and APB Opinion No. 18, *The Equity Method of Accounting for Investments in Common Stock*. This FSP is effective for reporting periods beginning after December 15, 2005. Management does not believe the adoption of this FSP will have a material impact on the Company's future reported financial position or results of operations.

In February 2006, the FASB issued SFAS No. 155, *Accounting for Certain Hybrid Financial Instruments-an amendment of FASB Statements No. 133 and 140*, to simplify and make more consistent the accounting for certain financial instruments. SFAS No. 155 amends SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*, to permit fair value remeasurement for any hybrid financial instrument with an embedded derivative that otherwise would require bifurcation, provided that the whole instrument is accounted for on a fair value basis. SFAS No. 155 amends SFAS No. 140, *Accounting for the Impairment or Disposal of Long-Lived Assets*, to allow a qualifying special-purpose entity to hold a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. SFAS No. 155 applies to all financial instruments acquired or issued after the beginning of an entity's first fiscal year that begins after September 15, 2006, with earlier application allowed. This standard is not expected to have a significant effect on the Company's future reported financial position or results of operations.