

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

(Mark One)

- Quarterly report under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended **June 30, 2006**.
- Transition report under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____.

Commission file number: **000-49838**

OUVO, INC.

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

DELAWARE

(State or other jurisdiction of
incorporation or organization)

94-3381088

(I.R.S. Employer
Identification No.)

325-3495 Cambie Street, Vancouver, British Columbia V5Z 4R3

(Address of principal executive office) (Zip Code)

(604) 725-4160

(Registrant's telephone number)

Check whether the registrant: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X

No _____

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes X

No _____

The number of issued and outstanding shares of the registrant's common stock, \$0.0001 par value (the only class of voting stock), as of October 5, 2006 was 8,000,000.

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

As used herein, the terms “Company,” “our,” “we,” and “us” refer to Ouvo, Inc., a Delaware corporation, unless otherwise indicated. In the opinion of management, the accompanying unaudited financial statements included in the Form 10-QSB reflect all adjustment (consisting only of normal recurring accruals) necessary for a fair presentation of the results of operations for the periods presented. The results of operation for the periods presented are not necessarily indicative of the results to be expected for the full year.

Ouvo, Inc.
(A Development Stage Company)
Balance Sheets
(Expressed in U.S. Dollars)
(Unaudited)

	As at 30 June 2006	As at 31 December 2005
	\$	\$
Assets		
Current		
Cash and cash equivalents	77	17,202
	<u>77</u>	<u>17,202</u>
Liabilities		
Current		
Bank indebtedness	10	-
Accounts payable and accrued liabilities (Note 3)	30,724	44,795
Note payable (Note 4)	273,345	260,948
Due to related party (Note 5)	80,140	20,229
	<u>384,219</u>	<u>325,972</u>
Stockholders' deficiency		
Capital stock (Note 6)		
Authorized		
100,000,000 common shares, par value \$0.0001		
Issued and outstanding		
31 June 2006 – 8,000,000 common shares, par value \$0.0001		
31 December 2005 – 8,000,000 common shares, par value \$0.0001	800	800
Additional paid-in capital	50,481	50,481
Deficit, accumulated during the development stage	<u>(435,423)</u>	<u>(360,051)</u>
	<u>(384,142)</u>	<u>(308,770)</u>
	<u>77</u>	<u>17,202</u>

Nature and Continuance of Operations (Note 1) Commitments (Note 9) Subsequent Events (Note 13)

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

Ouvo, Inc.
(A Development Stage Company)
Statements of Operations
(Expressed in U.S. Dollars)
(Unaudited)

	For the period from the date of inception on 13 March 1991 to 30 June 2006	For the three month period ended 30 June 2006	For the three month period ended 30 June 2005	For the six month period ended 30 June 2006	For the six month period ended 30 June 2005
	\$	\$	\$	\$	\$
Expenses					
General and administrative (Schedule 1)	252,987	39,423	50,092	75,133	66,047
Net loss before other item	(252,987)	(39,423)	(50,092)	(75,133)	(66,047)
Other item					
Gain (loss) on foreign exchange	(239)	1	-	(239)	-
Net loss from continuing operations	(253,226)	(39,422)	(50,092)	(75,372)	(66,047)
Discontinued operations (Note 11)					
Loss from discontinued operations	(192,295)	-	-	-	-
Gain on disposition of discontinued operations	10,098	-	-	-	10,098
Income (loss) from discontinued operations	(182,197)	-	-	-	10,098
Net loss for the period	<u>(435,423)</u>	<u>(39,422)</u>	<u>(50,092)</u>	<u>(75,372)</u>	<u>(55,949)</u>
Basic and diluted loss per common share		<u>(0.01)</u>	<u>(0.01)</u>	<u>(0.01)</u>	<u>(0.01)</u>
Weighted average number of common shares used in per share calculations		<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>11,160,221</u>

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

Ouvo, Inc.
(A Development Stage Company)
Statements of Cash Flows
(Expressed in U.S. Dollars)
(Unaudited)

	For the period from the date of inception on 13 March 1991 to 30 June 2006	For the three month period ended 30 June 2006	For the three month period ended 30 June 2005	For the six month period ended 30 June 2006	For the six month period ended 30 June 2005
	\$	\$	\$	\$	\$
Cash flows from operating activities					
Net loss for the period	(435,423)	(39,422)	(50,092)	(75,372)	(55,949)
Loss (gain) from discontinued operations	182,197	-	-	-	(10,098)
Loss from continuing operations	<u>(253,226)</u>	<u>(39,422)</u>	<u>(50,092)</u>	<u>(75,372)</u>	<u>(66,047)</u>
Adjustment for non-cash item					
Accrued interest	23,364	6,233	666	12,397	666
Changes in operating assets and liabilities					
Increase (decrease) in accounts payable and accrued liabilities	<u>30,724</u>	<u>(7,024)</u>	<u>1,291</u>	<u>(14,071)</u>	<u>7,059</u>
	<u>(199,138)</u>	<u>(40,213)</u>	<u>(48,135)</u>	<u>(77,046)</u>	<u>(58,322)</u>
Cash flows from investing activity					
Net monetary liabilities from acquisition	<u>(3,130)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from financing activities					
Increase (decrease) in bank indebtedness	10	10	-	10	(28)
Common shares issued for cash	100	-	-	-	-
Increase (decrease) in note payable	249,981	-	32,677	-	57,677
Increase in due to related party	<u>80,140</u>	<u>35,028</u>	<u>15,458</u>	<u>59,911</u>	<u>25,673</u>
	<u>330,231</u>	<u>35,038</u>	<u>48,135</u>	<u>59,921</u>	<u>83,322</u>
Net cash used in discontinued operations	<u>(127,886)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,000)</u>
Increase (decrease) in cash and cash equivalents	77	(5,175)	-	(17,125)	-
Cash and cash equivalents, beginning of period	<u>-</u>	<u>5,252</u>	<u>-</u>	<u>17,202</u>	<u>-</u>
Cash and cash equivalents, end of period	<u>77</u>	<u>77</u>	<u>-</u>	<u>77</u>	<u>-</u>

Supplemental Disclosures with Respect to Cash Flows (Note 10)

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

Ouvo, Inc.
(A Development Stage Company)
Statement of Changes in Stockholders' Deficiency
(Expressed in U.S. Dollars)
(Unaudited)

	Number of shares issued	Capital Stock \$	Additional paid-in capital \$	Deficit, accumulated during the development stage \$	Stockholders' deficiency \$
Balance at 13 March 1991 (inception)	-	-	-	-	-
Common shares issued for cash	8,666,667	867	(767)	-	100
Net loss for the period	-	-	-	(18,455)	(18,455)
Balance at 31 December 1991	8,666,667	867	(767)	(18,455)	(18,355)
Net loss for the year	-	-	-	(20,665)	(20,665)
Balance at 31 December 1992	8,666,667	867	(767)	(39,120)	(39,020)
Net loss for the year	-	-	-	(7,645)	(7,645)
Balance at 31 December 1993	8,666,667	867	(767)	(46,765)	(46,665)
Net loss for the year	-	-	-	(5,560)	(5,560)
Balance at 31 December 1994	8,666,667	867	(767)	(52,325)	(52,225)
Net loss for the year	-	-	-	(2,400)	(2,400)
Balance at 31 December 1995	8,666,667	867	(767)	(54,725)	(54,625)
Net loss for the year	-	-	-	(3,003)	(3,003)
Balance at 31 December 1996	8,666,667	867	(767)	(57,728)	(57,628)
Net loss for the year	-	-	-	(5,007)	(5,007)
Balance at 31 December 1997	8,666,667	867	(767)	(62,735)	(62,635)
Net loss for the year	-	-	-	(5,699)	(5,699)
Balance at 31 December 1998	8,666,667	867	(767)	(68,434)	(68,334)
Net loss for the year	-	-	-	(5,828)	(5,828)
Balance at 31 December 1999	8,666,667	867	(767)	(74,262)	(74,162)
Net income for the year	-	-	-	5,525	5,525
Balance at 31 December 2000	8,666,667	867	(767)	(68,737)	(68,637)
Net loss for the year	-	-	-	(5,208)	(5,208)
Balance at 31 December 2001	8,666,667	867	(767)	(73,945)	(73,845)
Net income for the year	-	-	-	20,357	20,357

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

Ouvo, Inc.
(A Development Stage Company)
Statement of Changes in Stockholders' Deficiency
(Expressed in U.S. Dollars)
(Unaudited)

	Number of shares issued	Capital Stock \$	Additional paid-in capital \$	Deficit, accumulated during the development stage \$	Stockholders' deficiency \$
Balance at 31 December 2002	8,666,667	867	(767)	(53,588)	(53,488)
Net loss for the year	-	-	-	(7,123)	(7,123)
Balance at 31 December 2003	8,666,667	867	(767)	(60,711)	(60,611)
Contribution to capital by related party – forgiveness of shareholder loan	-	-	54,311	-	54,311
Net loss for the period	-	-	-	(8,939)	(8,939)
Balance at 24 June 2004	8,666,667	867	53,544	(69,650)	(15,239)
Acquisition – recapitalization	17,600,000	1,760	(4,890)	-	(3,130)
Cancellation of common shares – 31 July 2004	(9,600,000)	(960)	960	-	-
Net loss for the period	-	-	-	(152,757)	(152,757)
Balance at 31 December 2004	16,666,667	1,667	49,614	(222,407)	(171,126)
Cancellation of common shares – 7 March 2005 (Note 1 and 6)	(8,666,667)	(867)	867	-	-
Net loss for the year	-	-	-	(137,644)	(137,644)
Balance at 31 December 2005	8,000,000	800	50,481	(360,051)	(308,770)
Net loss for the period	-	-	-	(75,372)	(75,372)
Balance at 30 June 2006	8,000,000	800	50,481	(435,423)	(384,142)

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

Ouvo, Inc.
(A Development Stage Company)
Schedule 1 – General and Administrative Expenses
(Expressed in U.S. Dollars)
(Unaudited)

	For the period from the date of inception on 13 March 1991 to 30 June 2006 \$	For the three month period ended 30 June 2006 \$	For the three month period ended 30 June 2005 \$	For the six month period ended 30 June 2006 \$	For the six month period ended 30 June 2005 \$
Interest (Note 4)	23,364	6,253	666	12,417	666
Legal and accounting	129,155	17,241	33,290	30,853	38,653
Management fees (Note 7)	85,000	15,000	15,000	30,000	25,000
Office and miscellaneous	3,924	713	732	1,483	919
Settlement of lawsuit (Note 12)	10,000	-	-	-	-
Share transfer fees	1,544	216	404	380	809
	<u>252,987</u>	<u>39,423</u>	<u>50,092</u>	<u>75,133</u>	<u>66,047</u>

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

1. Nature and Continuance of Operations

Ouvo, Inc. (the “Company”) was incorporated under the laws of the State of Delaware on 16 November 2000. The Company was incorporated for the purpose to promote and carry on any lawful business for which a corporation may be incorporated under the laws of the State of Delaware.

The Company is a development stage enterprise, as defined in Statements of Financial Accounting Standards (“SFAS”) No. 7, “*Accounting and Reporting by Development Stage Enterprises*”. The Company is devoting all of its present efforts to securing and establishing a new business and its planned principle operations have not commenced. Accordingly, no revenue has been derived during the organization period.

The Company’s financial statements as at 30 June 2006 and for the three month and six month period then ended have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The Company has a loss of \$75,372 for the six month period ended 30 June 2006 (30 June 2005 - \$66,047) and has working capital deficit of \$384,142 at 30 June 2006 (31 December 2005 - \$308,770).

On 30 April 2004, the Company entered into a Share Exchange Agreement (the “Agreement”) with Gateway Entertainment Group, Inc. (the “Gateway”), a New Jersey corporation, wherein the Company agreed to issue to the stockholders of Gateway 8,666,667 common shares in exchange for the 1,000 shares that constituted all the issued and outstanding shares of Gateway. On 25 June 2004, Gateway completed the reverse acquisition under the Agreement with the Company. Immediately before the acquisition, the Company had 100,000,000 common shares authorized and 366,667 common shares issued and outstanding. The Company completed a 48:1 forward stock split and the total issued and outstanding shares after completing the acquisition was 26,266,667 common shares.

Immediately after the acquisition, the management of Gateway took control of the board and office positions of the Company, constituting a change of control. Because the former owners of Gateway gained control of the Company, the transaction would normally have been considered a purchase by Gateway. However, since the Company was not a business, the transaction was not considered to be a business combination, and the transaction was accounted for as a recapitalization of Gateway and the issuance of stock by Gateway for the assets and liabilities of the Company. The value of the net assets of the Company acquired by Gateway was the same as their historical book value, being a deficiency of \$3,130.

Gateway was incorporated on 13 March 1991, under the laws of the State of New Jersey with an authorized capital stock of 200,000 common shares with no par value common stock. The accompanying financial statements are the historical financial statements of Gateway.

During the year ended 31 December 2005, the Company decided to discontinue its operations with respect to the gaming industry. All operating activities related to the discontinued operations were carried out by the Company’s legal subsidiary, Gateway.

1. Nature and Continuance of Operations - Continued

On 7 March 2005, the Company entered into a Separation Agreement with Stephen Lasser (the "Lasser Agreement") and a Share Cancellation and Business Transfer Agreement with Lawrence Smith (the "Smith Agreement"). All shares issued to the Gateway shareholders as a result of the reverse merger were cancelled.

Under the Smith Agreement, Smith agreed to cancel the 5,200,000 common shares of the Company owned by himself, and the Company agreed to transfer its assets related to the establishment of a television network dedicated to the Gaming Network Business, including ownership of Gateway, to Smith. On 8 March 2005 the assets comprising the Gaming Network Business were transferred to Smith in exchange for the return to treasury and cancellation of the 5,200,000 common shares of the Company. Smith was formerly an officer and director of the Company and was the Company's largest shareholder prior to the cancellation of his common shares.

Under the Lasser Agreement, Lasser agreed to cancel the 3,466,667 common shares of the Company owned by himself and release the Company from any claims or potential claims Lasser has or may have against the Company or its directors and officers and the Company agreed to release Lasser from any claims or potential claims the Company has or may have against Lasser. On 8 March 2005 Lasser returned 3,466,667 common shares to the Company's treasury and the common shares were cancelled.

Management cannot provide assurance that the Company will ultimately achieve profitable operations or become cash flow positive, or raise additional debt and/or equity capital. Management believes that the Company's capital resources should be adequate to continue operating and maintaining its business strategy during the fiscal year ending 31 December 2006. However, if the Company is unable to raise additional capital in the near future, due to the Company's liquidity problems, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures. These financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

At 30 June 2006, the Company was not engaged in a business and had suffered losses from development stage activities to date. Although management is currently attempting to implement its business plan, and is seeking additional sources of equity or debt financing, there is no assurance these activities will be successful. These factors raise substantial doubt about the ability of the Company to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

2. Significant Accounting Policies

The following is a summary of significant accounting policies used in the preparation of these financial statements.

Basis of presentation

The accompanying unaudited interim financial statements have been prepared as at 30 June 2006 and for the three month and six month periods then ended, in accordance with accounting principles generally accepted in the United States of America relating to the preparation of financial statements for interim periods. Accordingly, they do not include all the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three month and six month periods ended 30 June 2006 are not necessarily indicative of the results that may be expected for the year ending 31 December 2006.

These interim financial statements follow the same accounting policies and methods of their application as the most recent annual financial statements, except as noted below. These interim financial statements should be read in conjunction with the audited financial statements of the Company as at 31 December 2006.

Long-lived assets

In accordance with SFAS No. 144, "*Accounting for Impairment or Disposal of Long-Lived Assets*", the carrying value of long-lived assets is reviewed on a regular basis for the existence of facts or circumstance that may suggest impairment. The Company recognizes an impairment when the sum of the expected undiscounted future cash flows is less than the carrying amount of the asset. Impairment losses, if any, are measured as the excess of the carrying amount of the asset over its estimated fair value.

Financial instruments

The carrying value of cash, accounts payable and accrued liabilities, and due to related parties approximates their fair value because of the short maturity of these instruments. The Company's operations are in Canada and virtually all of its assets and liabilities are giving rise to significant exposure to market risks from changes in foreign currency rates. The Company's financial risk is the risk that arises from fluctuations in foreign exchange rates and the degree of volatility of these rates. Currently, the Company does not use derivative instruments to reduce its exposure to foreign currency risk.

2. Significant Accounting Policies - Continued

Income taxes

Potential benefits of income tax losses are not recognized in the accounts until realization is more likely than not. The Company has adopted SFAS No. 109, "*Accounting for Income Taxes*", as of its inception. Pursuant to SFAS No. 109 the Company is required to compute tax asset benefits for net operating losses carried forward. The potential benefits of net operating losses have not been recognized in these financial statements because the Company cannot be assured it is more likely than not it will utilize the net operating losses carried forward in future years.

Comprehensive loss

SFAS No. 130, "*Reporting Comprehensive Income*", establishes standards for the reporting and display of comprehensive loss and its components in the financial statements. As at 30 June 2006, the Company has no items that represent a comprehensive loss and, therefore, has not included a schedule of comprehensive loss in the financial statements.

Basic and diluted net loss per share

The Company computes net loss per share in accordance with SFAS No. 128, "*Earnings per Share*". SFAS No. 128 requires presentation of both basic and diluted earnings per share ("EPS") on the face of the income statement. Basic EPS is computed by dividing net loss available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all potentially dilutive common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all potentially dilutive shares if their effect is anti-dilutive.

Foreign currency translation

The Company's functional and reporting currency is in U.S. dollars. The financial statements of the Company are translated to U.S. dollars in accordance with SFAS No. 52, "*Foreign Currency Translation*". Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in the determination of income. The Company has not, to the date of these financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

Start-up expenses

The Company has adopted Statement of Position No. 98-5, "*Reporting the Costs of Start-up Activities*", which requires that costs associated with start-up activities be expensed as incurred. Accordingly, start-up costs associated with the Company's formation have been included in the Company's general and administrative expenses for the period from the date of inception on 13 March 1991 to 30 June 2006.

2. Significant Accounting Policies - Continued

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

Recent accounting pronouncements

In March 2006, the Financial Accounting Standards Board (the "FASB") issued Statements of Financial Accounting Standards ("SFAS") No. 156, "*Accounting for Servicing of Financial Assets*", which amends SFAS No. 140. SFAS No. 156 may be adopted as early as 1 January 2006, for calendar year-end entities, provided that no interim financial statements have been issued. Those not choosing to early adopt are required to apply the provisions as of the beginning of the first fiscal year that begins after 15 September 2006 (e.g. 1 January 2007, for calendar year-end entities). The intention of the new statement is to simplify accounting for separately recognized servicing assets and liabilities, such as those common with mortgage securitization activities, as well as to simplify efforts to obtain hedge-like accounting. Specifically, the FASB said SFAS No. 156 permits a servicer using derivative financial instruments to report both the derivative financial instrument and related servicing asset or liability by using a consistent measurement attribute, or fair value. The adoption of SFAS No. 156 is not expected to have a material impact on the Company's financial position, results of operations or cash flows.

In February 2006, the FASB issued SFAS No. 155, "*Accounting for Certain Hybrid Financial Instruments*", which amends SFAS No. 133, "*Accounting for Derivative Instruments and Hedging Activities*" and SFAS No. 140, "*Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*". SFAS No. 155 permits fair value measurement for any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation, establishes a requirement to evaluate interests in securitized financial assets to identify interests that are freestanding derivatives or hybrid financial instruments containing embedded derivatives. The adoption of SFAS No. 155 is not expected to have a material impact on the Company's financial position, results of operations or cash flows.

In May 2005, the FASB issued SFAS No. 154, "*Accounting Changes and Error Corrections – A Replacement of APB Opinion No. 20 and SFAS No. 3*". SFAS No. 154 changes the requirements for the accounting for and reporting of a change in accounting principle and applies to all voluntary changes in accounting principle. It also applies to changes required by an accounting pronouncement in the unusual instance that the pronouncement does not include specific transition provisions. SFAS No. 154 requires retrospective application to prior periods' financial statements of changes in accounting principle, unless it is impracticable to determine either the period-specific effects or the cumulative effect of the change. The provisions of SFAS No. 154 are effective for accounting changes and correction of errors made in fiscal years beginning after 15 December 2005. The adoption of this standard is not expected to have a material effect on the Company's results of operations or financial position.

2. Significant Accounting Policies

Recent accounting pronouncements - Continued

In March 2005, the Securities and Exchange Commission (“SEC”) staff issued Staff Accounting Bulletin (“SAB”) No. 107 to give guidance on the implementation of SFAS No. 123R. The Company will consider SAB No. 107 during implementation of SFAS No. 123R.

In December 2004, the FASB issued SFAS No. 153, “*Exchanges of Nonmonetary Assets – An Amendment of APB Opinion No. 29*”. The guidance in APB Opinion No. 29, *Accounting for Nonmonetary Transactions*, is based on the principle that exchanges of nonmonetary assets should be measured based on the fair value of the assets exchanged. The guidance in that Opinion, however, included certain exceptions to that principle. SFAS No. 153 amends Opinion No. 29 to eliminate the exception for nonmonetary exchanges of similar productive assets and replaces it with a general exception for exchanges of nonmonetary assets that do not have commercial substance. A nonmonetary exchange has commercial substance if the future cash flows of the entity are expected to change significantly as a result of the exchange. The provisions of SFAS No. 153 are effective for nonmonetary asset exchanges occurring in fiscal periods beginning after 15 June 2005. Early application is permitted and companies must apply the standard prospectively. The adoption of this standard is not expected to have a material effect on the Company's results of operations or its financial position.

In December 2004, the FASB issued SFAS No. 123R, “*Share Based Payment*”. SFAS No. 123R is a revision of SFAS No. 123, “*Accounting for Stock-Based Compensation*”, and supersedes APB Opinion No. 25, “*Accounting for Stock Issued to Employees*” and its related implementation guidance. 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 a public entity to measure the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award (with limited exceptions). That cost will be recognized over the period during which an employee is required to provide service in exchange for the award – the requisite service period (usually the vesting period). SFAS No. 123R requires that the compensation cost relating to share-based payment transactions be recognized in the 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 15 December 2005. The adoption of this standard is not expected to have a material effect on the Company's results of operations or its financial position.

The FASB has also issued SFAS No. 151 and 152, but they will not have an effect of the financial reporting of the Company.

Comparative figures

Certain comparative figures have been adjusted to conform to the current period's presentation.

3. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are non-interest bearing, unsecured and have settlement dates within one year.

	As at 30 June 2006	As at 31 December 2005 (Audited)
	\$	\$
Accounts payable	21,654	16,392
Accrued liabilities	9,070	28,403
	<u>30,724</u>	<u>44,795</u>

4. Note Payable

The note payable bears interest at 10% per annum, is repayable in full on 31 December 2006, and is secured by the Company's existing and future assets. At the note payable holder's option, the note payable can be converted into common shares of the Company at a conversion rate to be negotiated between the two parties (Note 13).

5. Due to Related Party

As at 30 June 2006, the amount due to related party consists of \$80,140 (31 December 2005 - \$20,229) payable to a director of the Company. This balance is non-interest bearing, unsecured and has no fixed terms of repayment.

6. Capital Stock

Authorized

The total authorized capital stock is 100,000,000 common shares with a par value of \$0.0001 per common share.

Issued and outstanding

The total issued and outstanding capital stock is 8,000,000 common shares with a par value of \$0.0001 per common share.

On 7 March 2005, the Company cancelled 8,666,667 common shares (Note 1).

On 9 June 2004, the Company, by way of unanimous written consent of the Board of Directors, cancelled 22,400,000 restricted common shares of the Company held by a former director of the Company. The former director agreed to such a cancellation (Note 13).

7. Related Party Transactions

During the three month period ended 30 June 2006, the Company paid or accrued management fees of \$15,000 (30 June 2005 - \$15,000) to a director of the Company.

During the six month period ended 30 June 2006, the Company paid or accrued management fees of \$30,000 (30 June 2006 - \$25,000) to a director of the Company.

The amounts charged to the Company for the services provided have been determined by negotiation among the parties, and in certain cases, are covered by signed agreements. It is the position of the management of the Company that these transactions were in the normal course of operations and were measured at the exchange value which represented the amount of consideration established and agreed to by the related parties.

8. Income Taxes

The Company has losses carried forward for income tax purposes to 30 June 2006. There are no current or deferred tax expenses for the period ended 30 June 2006 due to the Company's loss position. The Company has fully reserved for any benefits of these losses. The deferred tax consequences of temporary differences in reporting items for financial statement and income tax purposes are recognized, as appropriate. Realization of the future tax benefits related to the deferred tax assets is dependent on many factors, including the Company's ability to generate taxable income within the net operating loss carryforward period. Management has considered these factors in reaching its conclusion as to the valuation allowance for financial reporting purposes.

The provision for refundable federal income tax consists of the following:

	For the six month period ended 30 June 2006 \$	For the six month period ended 30 June 2005 \$
Deferred tax asset attributable to:		
Current operations	25,626	24,436
Less: Change in valuation allowance	<u>(25,626)</u>	<u>(24,436)</u>
Net refundable amount	<u>-</u>	<u>-</u>

Ouvo, Inc.
(A Development Stage Company)
Notes to Financial Statements
(Expressed in U.S. Dollars)
(Unaudited)
30 June 2006

8. Income Taxes - Continued

The composition of the Company's deferred tax assets as at 30 June 2006 and 31 December 2005 is as follows:

	As at 30 June 2006	As at 31 December 2005
	\$	(Audited) \$
Net income tax operating loss carryforward	<u>291,511</u>	<u>216,139</u>
Statutory federal income tax rate	34%	34%
Effective income tax rate	0%	0%
Deferred tax asset		
Tax loss carryforward	99,114	73,487
Less: Valuation allowance	<u>(99,114)</u>	<u>(73,487)</u>
Net deferred tax asset	<u>-</u>	<u>-</u>

The potential income tax benefit of these losses has been offset by a full valuation allowance.

As at 30 June 2006, the Company has an unused net operating loss carryforward balance of approximately \$291,511 that is available to offset future taxable income. These unused net operating loss carryforward balances for income tax purposes expires as follows:

2020	\$ 2,657
2021	19,368
2022	8,751
2023	7,509
2024	30,112
2025	147,742
2026	75,372

9. Commitment

On 1 February 2005, the Company entered into a contract for management services with an officer and director of the Company, requiring the Company to make a payment of \$5,000 per month.

10. Supplemental Disclosures with Respect to Cash Flows

	For the period from the date of inception on 13 March 1991 to 30 June 2006	For the three month period ended 30 June 2006	For the three month period ended 30 June 2005	For the six month period ended 30 June 2006	For the six month period ended 30 June 2005
	\$	\$	\$	\$	\$
Accrued interest on note payable (Note 4)	23,364	6,253	666	12,417	666
Shares issued for acquisition of Gateway	(3,130)	-	-	-	-
Forgiveness of shareholder loan	54,311	-	-	-	-
Cash paid during the year for income taxes	2,135	-	-	-	-

11. Discontinued Operations

During the year ended 31 December 2005 the Company discontinued its operations with respect to the gaming industry. All operating activities related to the discontinued operations were carried out by the Company's legal subsidiary, Gateway. The decision to discontinue this business component was made by management due to the Company's desire to shift its business focus to other unrelated opportunities. The ownership of Gateway was transferred to a former officer and director of the Company on 8 March 2005 in exchange for the cancellation of the former officer and director's shares of the Company's common stock (Notes 1).

In accordance with SFAS 144, "*Accounting for Impairment or Disposal of Long-lived Assets*", the related financial information for the gaming industry are reported as discontinued operations. The gaming industry component sought to develop a gaming lifestyle media business offering gambling, entertainment, news and information.

The Company does not have any continued involvement in the management of the gaming business, nor does the Company have a direct financial ownership investment in the gaming business.

11. Discontinued Operations - Continued

A summary of the results of the operations of the discontinued gaming operating unit is as follows:

	For the period from the date of inception on 13 March 1991 to 30 June 2006 \$	For the six month period ended 30 June 2006 \$	For the six month period ended 30 June 2005 \$
Loss from discontinued operations before gain on disposition	(192,295)	-	-
Gain on disposition of discontinued operations	<u>10,098</u>	<u>-</u>	<u>10,098</u>
Income (loss) from discontinued operations	<u>(182,197)</u>	<u>-</u>	<u>10,098</u>

12. Contingency

The Company has been named the defendant in a lawsuit filed by Media Underground, Inc. for the collection of payments under a sublease agreement related to space rented and used by the Company. During the three month period ended 30 June 2006, the Company paid \$10,000 to Media Underground, Inc. as settlement of the lawsuit for payments under the sublease agreement.

13. Subsequent Events

The following events occurred subsequent to 30 June 2006:

- i. On 27 July 2006, the terms of the note payable were revised such that the lender has agreed to advance an additional \$75,000 to the Company and extend the payment date of the note payable to 31 December 2006 (Note 4).
- ii. 22,400,000 common shares of the Company cancelled by the Company's Board of Directors on 9 June 2004 have been returned to the Company's treasury and formally removed from the Company's list of outstanding shares.
- iii. The Company purchased a 100% interest in a six cell mineral claim comprised of 314.6 acres, the St. John Ridge Property, located 180 miles east of Vancouver, B.C., near Beavercreek, by paying \$8,000.

ITEM 2. MANAGEMENT'S PLAN OF OPERATION

This Management's Plan of Operation and Results of Operations and other parts of this report contain forward-looking statements that involve risks and uncertainties. Forward-looking statements can also be identified by words such as "anticipates," "expects," "believes," "plans," "predicts," and similar terms. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include, but are not limited to, those discussed in the subsections entitled "Forward-Looking Statements and Factors That May Affect Future Results and Financial Condition" below. The following discussion should be read in conjunction with our financial statements and notes thereto included in this report. All information presented herein is based on our period ended June 30, 2006. Our fiscal year end is December 31.

General

The Company was incorporated in the State of Delaware on November 16, 2000, for the purpose of developing a web-based reservation system that would enable consumers to place reservations directly with restaurants through a dedicated website. Efforts to implement the Company's business plan were hampered by insufficient working capital which caused us to abandon our software development.

On June 25, 2004, the Company entered into a Share Exchange Agreement with Gateway Entertainment Group, Inc., ("Gateway"), a private company seeking to develop a gaming lifestyle media business offering gambling, entertainment, news and information. Pursuant to the Share Exchange Agreement, the Company issued the shareholders of Gateway 26,000,000 shares post 48:1 forward split shares in exchange for all the issued and outstanding shares of Gateway. On July 26, 2004, a majority of the shareholders entitled to vote, elected to change the Company's name from "ReserveNet, Inc." to "Casino Entertainment, Inc." in line with our new business focus.

Despite efforts to develop a gaming lifestyle business, the Company decided, in early 2005, to discontinue our operations with respect to the gaming industry. On March 7, 2005, the Company entered into a Separation Agreement with Stephen Lasser and a Share Cancellation and Business Transfer Agreement with Lawrence Smith whereby all shares issued to the Gateway shareholders as a result of the June 2004 Agreement were cancelled.

On March 7, 2005, a majority of the shareholders entitled to vote elected to (i) change the Company's name to Ouvo, Inc.; (ii) authorize 5,000,000 shares of Class A Preferred Stock; and (iii) consolidate the issued and outstanding shares of common stock on a 1:3 basis.

Subsequent to the three month period ended June 30, 2006, on August 10, 2006, the Company entered into a Property Purchase Agreement (the "Mining Agreement") with Madman Mining Co. Ltd. and Lloyd C. Brewer, its president (together "Madman Mining").

Pursuant to the Mining Agreement, the Company agreed to purchase 100% interest in St. Johns Ridge Mineral Claim, (the "Claim"), from Madman Mining. The Claim is located approximately 6 miles northeast of Beaverdell, in south-central British Columbia, Canada, with a total surface area of approximately 314 acres. The agreed purchase price, \$8,000, was paid at closing, on September 8, 2006, at which time Madman Mining transferred the Claim in the form of a "quit-claim deed."

Short Term Plan

The results of previous work on the Claim have indicated that there is strong potential for the discovery of additional gold, silver, copper, lead and zinc mineralization. This limited exploration has focused on the known mineral showings themselves, and has located two gold, silver and copper geochemical anomalies, coincident with high-grade rock samples from old trenches. Modern exploration techniques and mineralization theories will be used to test for a larger body of mineralization that is thought to be the causative source for the numerous mineral showings within the Claim area. The Company's short term plan of operation is to carry out a modern two-phase exploration for the Claim as recommended by Madman Mining.

Phase I

Phase I will require approximately 3 weeks and will consist of grid emplacement, detailed geological mapping, prospecting, rock and soil sampling, and a geophysical magnetometer survey. An additional 3 weeks will be required to complete analysis of samples, data compilation and interpretation, drafting, and report writing. Results gained from the program will lead to a better understanding of, and the location and controls of, the mineralization at known showings. It will also reveal possible new showings and/or anomalous areas. The work will progress as follows:

1. Emplace a control grid with a surveyed base line over the entire property;
2. Conduct detailed geological mapping and prospecting over the entire property – tying in all showing locations, roads/trails, geological data and samples to the control grid; and
3. Complete a magnetometer survey over the entire property.

The estimated cost breakdown of Phase I is as follows:

Personnel:

Senior Geologist	3 days @ \$500.00	\$ 1,500.00
Project Geologist	20 days @ \$325.00	6,500.00
Prospector/Field Assistant	20 days @ \$225.00	4,500.00

Field Costs:

Field Camp and Supplies	40 man/days @ \$50.00/m/d (including camp rental, GPS rental, food, prospecting and sampling equipment, first aid and chain saw)	2,000.00
Field Communications	Long Distance charges Motorola 2 way field radios	400.00
Survey Consumables	Sample bags, survey flagging, pickets etc.	950.00
Geophysical survey	Detailed total field magnetometer survey	6,150.00

Transportation:

Truck Rental	20 days \$100.00	2,000.00
Mob/de-mob	Base-Project and Return (fuel/meals/motel & truck mileage charges)	500.00

Estimate continued on following page

Analytical:		
Rock Samples	50 samples @ \$24.50/sample (Au+32 element ICP) (budget for 20 over detection limit assays - additional at approx \$15.00/sample)	1,225.00
Soil Samples	100 samples @ \$23.50/sample (Au + 32 element ICP)	2,350.00
Petrography/Thin Section	10 samples	270.00
Office & Engineering:		
Report Writing	based on results of Phase I	2,000.00
Drafting/Cartography	(including field base map and all final maps detailing geological mapping, sample locations and results, location of old workings and compilation of results from previous work on property)	2,500.00
		<u>1,880.00</u>
Overhead & Contingency		
Total estimated cost of Phase I		\$34,725.00

Phase II

Phase II of the exploration program is contingent on the success of the Phase I program. The work will progress as follows:

1. Complete mechanical trenching along the strike of the known mineralized zones, with detailed geological mapping and rock sampling carried out in each trench; and
2. Perform diamond drilling along the projected strike and down dip of the main mineralized zones.

The minimum estimated cost of the Phase II is \$50,000.

Long Term Plan

Upon the success of Phase I and Phase II, the Company's long term plan is to pursue further mining on the Claim.

We do not intend to use any employees, with the possible exception of part-time clerical assistance on an as-needed basis. Outside advisors or consultants will be used to complete our plan of operation. Management is confident that it will be able to operate in this manner during the next twelve months.

Results of Operations

During the three months ended June 30, 2006 we were not engaged in any active business other than the search for a suitable business acquisition.

Net Losses

For the period from March 13, 1991 (the incorporation of Gateway), to June 30, 2006, the Company recorded a net loss of \$435,423, which is primarily attributable to losses from the discontinuation of business operations.

Net losses for the three month period ended June 30, 2006, were \$39,422 as compared to net losses of \$50,092 for the three month period ended June 30, 2005. Net losses for the six month period ended June 30, 2006, were \$75,372 as compared to net losses of \$55,949 for the six month period ended June 30, 2005.

During the six month period ended June 30, 2006, the Company did not realize any revenues from operations.

The Company expects to continue to incur net losses in future periods until such time as we can generate revenue. However, there is no assurance that we will ever generate sufficient revenues to fund operations.

Capital Expenditures

The Company expended no amounts on capital expenditures for the period from March 13, 1991, to June 30, 2006.

Liquidity and Capital Resources

The Company is in the development stage and, since inception, has experienced significant changes in liquidity, capital resources and shareholders' equity. The Company had current and total assets of \$77, with current and total liabilities of \$384,219, as of June 30, 2006. Net stockholders' deficit in the Company was \$384,142 at June 30, 2006.

Cash flow used in operating activities was \$77,046 for the six month period ended June 30, 2006, as compared to cash flow used in operating activities of \$58,322 for the six month period ended June 30, 2005.

Cash flow used in investing activities was \$0 for the six month periods ended June 30, 2006 and 2005.

Cash flow provided by financing activities was \$59,921 for the six month period ended June 30, 2006, as compared to cash flow provided by financing activities of \$83,322 for the six month period ended June 30, 2005. The cash flow provided by financing activities during the current period is attributable to a loan from a related party.

The Company's current assets may not be sufficient to conduct our plan of operation over the next twelve (12) months. We have no current commitments or arrangements with respect to, or immediate sources of funding. Further, no assurances can be given that funding, if needed, would be available or available to us on acceptable terms. Although, our major shareholders would be the most likely source of new funding in the form of loans or equity placements none have made any commitment for future investment and the Company has no agreement formal or otherwise. The Company's inability to obtain funding will have a material adverse affect on our plan of operation.

The Company has no current plans for the purchase or sale of any plant or equipment.

The Company has no current plans to make any changes in the number of employees.

Critical Accounting Policies

In the notes to the audited financial statements for the year ended December 31, 2005, included in the Company' Form 10-KSB, the Company discusses those accounting policies that are considered to be significant in determining the results of operations and our financial position. The Company believes that the accounting principles which we utilized conform to accounting principles generally accepted in the United States of America.

The preparation of financial statements requires Company management to make significant estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. By their nature, these judgments are subject to an inherent degree of uncertainty. On an on-going basis, the Company evaluates estimates. We base our estimates on historical experience and other facts and circumstances that are believed to be reasonable, and the results form the basis for making judgments about the carrying value of assets and liabilities. The actual results may differ from these estimates under different assumptions or conditions.

Forward Looking Statements and Factors That May Affect Future Results and Financial Condition

The statements contained in sections titled "Plan of Operation", with the exception of historical facts, are forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which reflect our current expectations and beliefs regarding our future results of operations, performance, and achievements. These statements are subject to risks and uncertainties and are based upon assumptions and beliefs that may or may not materialize. These forward looking statements include, but are not limited to, statements concerning:

- our anticipated financial performance and business plan;
- the sufficiency of existing capital resources;
- our ability to raise additional capital to fund cash requirements for future operations;
- uncertainties related to the Company's future business prospects;
- the ability of the Company to generate revenues to fund future operations;
- the volatility of the stock market and;
- general economic conditions.

We wish to caution readers that the Company's operating results are subject to various risks and uncertainties that could cause our actual results to differ materially from those discussed or anticipated, including the factors set forth in the section entitled "Risk Factors". We also wish to advise readers not to place any undue reliance on the forward looking statements contained in this report, which reflect our beliefs and expectations only as of the date of this report. We assume no obligation to update or revise these forward looking statements to reflect new events or circumstances or any changes in our beliefs or expectations, other than that is required by law.

Risks Factors

Our future operating results are highly uncertain. Before deciding to invest in us or to maintain or increase your investment, you should carefully consider the risks described below, in addition to the other information contained in this annual report. If any of these risks actually occur, our business, financial condition or results of operations could be seriously harmed. In that event, the market price for our common stock could decline and you may lose all or part of your investment.

We have a history of significant operating losses and such losses may continue in the future.

Since 1991, our expenses have substantially exceeded our income, resulting in continuing losses and an accumulated deficit of \$435,423 at June 30, 2006. During the three month period ended June 30, 2006, we recorded a net loss of \$39,422. The Company has never realized revenue from operations. We may continue to incur operating losses as we satisfy our ongoing disclosure requirements with the Securities and Exchange Commission ("Commission"). Our only expectation of future profitability is dependent upon our ability to produce revenue from the Claim. Therefore, we may never be able to achieve profitability.

Mineral exploration is highly speculative and frequently non-productive.

Mineral exploration and extraction is highly speculative, frequently nonproductive, and involves many risks, including, without limitation, unforeseen geological formations, cave-ins, environmental concerns and personal injury. Such risks can be considerable and may add unexpected expenditures or delays to our plans. Subsequent to the period ended June 30, 2006, we were in a very early exploration stage. We do not know whether the Company's exploration efforts will be successful or that any potential production will be identified. Moreover, an extended period of time may be needed to explore the Claim.

While we believe that the Claim property could contain minerals, further exploration and mineral assessments may indicate that our property is not sufficiently mineralized. Should the determination be made that further exploration is unfeasible because of insufficient mineralization, the Company may decide to abandon exploration efforts on the property.

An additional factor which will affect our business is the use of the evaluation work from professional geologists, geophysicists, and engineers for estimates in determining whether to commence or continue exploration work. These estimates generally rely on scientific estimates and economic assumptions, which may not be correct, and could result in the expenditure of substantial amounts of money on a property before it can be determined whether or not the property contains economically recoverable mineralization. We are not able to determine at present whether or not, or the extent to which, such risks may adversely affect our exploration program. The Company does not know whether its mineral exploration will ultimately be successful or profitable.

The Company has no proven or probable mineral reserves.

The Company has not completed any geological testing that would establish whether proven or probable mineralization exists on the Claim property. Consequently, we do not yet know whether we can generate revenues or profits from this property. The economic viability of a mineral property cannot be determined until extensive exploration has been conducted. We do not know whether proven or probable ore reserves exist on the Claim property, or if we will ever realize any revenue from this property.

There is no public trading market for the Company's stock, so you may be unable to sell your shares, or should a public trading market develop, the market price could decline below the amount you paid for your investment.

Although management intends to apply for quotation on the Over the Counter Bulletin Board, currently there is no public trading market for the Company's common stock, and we cannot represent to you that a market will ever develop. If a public trading market for our stock does not develop, it will be very difficult, if not impossible, for you to resell your shares in a manner that will allow you to recover, or realize a gain on, your investment. Even if a public trading market does develop, the market price could decline below the amount you paid for your investment.

We may incur significant expenses in the event that we are quoted on the Over the Counter Bulletin Board, which expenses may negatively impact our financial performance.

Should the Company's application for quotation on the Over the Counter Bulletin Board be accepted, we may incur significant legal, accounting and other expenses as a result of being quoted on the Over the Counter Bulletin Board. The Sarbanes-Oxley Act of 2002, as well as related rules implemented by the Commission has required changes in corporate governance practices of public companies. We expect that compliance with these laws, rules and regulations, including compliance with Section 404 of the Sarbanes-Oxley Act of 2002 as discussed in the following risk factor, may substantially increase our expenses, including our legal and accounting costs, and make some activities more time-consuming and costly. As a result, there may be a substantial increase in legal, accounting and certain other expenses in the future, which would negatively impact our financial performance and could have a material adverse effect on our results of operations and financial condition.

Our internal controls over financial reporting may not be considered effective, which could result in a loss of investor confidence in our financial reports and in turn have an adverse effect on our stock price.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, beginning with our annual report for the year ending December 31, 2008, we may be required to furnish a report by our management on our internal controls over financial reporting. Such report will contain, among other matters, an assessment of the effectiveness of our internal controls over financial reporting as of the end of the year, including a statement as to whether or not our internal controls over financial reporting are effective. This assessment must include disclosure of any material weaknesses in our internal controls over financial reporting identified by management. The report will also contain a statement that our independent registered public accounting firm has issued an attestation report on management's assessment of internal controls. If we are unable to assert that our internal controls are effective as of December 31, 2008, or if our independent registered public accounting firm is unable to attest that our management's report is fairly stated or they are unable to express an opinion on our management's evaluation or on the effectiveness of our internal controls, investors could lose confidence in the accuracy and completeness of our financial reports, which in turn could cause our stock price to decline.

Going Concern

The Company's audit expressed substantial doubt as to the Company's ability to continue as a going concern as a result of limited operations. The Company's accumulated deficit was \$360,051 as of December 31, 2005, which had increased to \$435,423 as of June 30, 2006. The Company's ability to continue as a going concern is subject to the ability of the Company to realize a profit from operations and /or obtain funding from outside sources. Since the Company has no revenue generating operations, our plan to address the Company's ability to continue as a going concern over the next twelve months includes: (1) obtaining debt funding from private placement sources; (2) obtaining additional funding from the sale of our securities; (3) obtaining loans and grants from various financial institutions, where possible, and (4) begin producing revenue from the Claim. Although we believe that we will be able to obtain the necessary funding to allow us to remain a going concern through the methods discussed above, there can be no assurances that such methods will prove successful.

ITEM 3. CONTROLS AND PROCEDURES

Our president acts both as the chief executive officer and the chief financial officer and is responsible for establishing and maintaining disclosure controls and procedures

a) Evaluation of disclosure controls and procedures.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as of June 30, 2006. Based on this evaluation, our principal executive officer and our principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective and adequately designed to ensure that the information required to be disclosed by us in the reports we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in applicable rules and forms.

The auditors did not test the effectiveness of nor relied on the internal controls of the Company for the fiscal quarters ended June 30, 2006 and 2005.

(b) Changes in internal controls over financial reporting.

During the quarter ended June 30, 2006 there has been no change in our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Kummer Kaemper Bonner Renshaw and Ferrario, Attorneys at Law, were retained to represent the Company in the defense of an action entitled *Media Underground, Inc. v. Casino Entertainment Television, Inc., et al*, filed in the District Court for Clark County, Nevada as Case No. A495425 (“Action”). Media Underground Inc., (the “Plaintiff”) alleged that it entered into a sublease agreement with the Company for certain premises located at 3485 West Harmon Avenue, Suite 110 in Las Vegas, Nevada, and that the payments called for by the sublease were not made. The Plaintiff asserted the following claims for relief: (i) breach of contract; (ii) breach of the implied covenant of good faith and fair dealing; (iii) fraud in the inducement; and (iv) attorneys’ fees. State court litigation was commenced by the Plaintiff on November 18, 2004 which was settled and dismissed on May 30, 2006. On June 30, 2006, the Company paid \$10,000 to settle the lawsuit.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibits required to be attached by Item 601 of Regulation S-B are listed in the Index to Exhibits on page 31 of this Form 10-QSB, and are incorporated herein by this reference.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized this 5th day of October, 2006.

Ouvo, Inc.

/s/ Kent Carasquero

By: Kent Carasquero

Chief Executive Officer, Chief Financial Officer and Principal Accounting Officer

INDEX TO EXHIBITS

<i>Exhibit No.</i>	<i>Page No.</i>	<i>Description</i>
3(i)(a)	*	Articles of Incorporation dated October 31, 2000. (Incorporated by reference from Form SB2 filed with the SEC on August 24, 2001.)
3(i)(b)	*	Amended Articles of Incorporation dated July 26, 2004. (Incorporated by reference from Form 10-QSB filed with the SEC on February 8, 2006.)
3(i)(c)	*	Amended Articles of Incorporation dated April 12, 2005. (Incorporated by reference from Form 10-QSB filed with the SEC on February 8, 2006.)
3(ii)	*	By-Laws dated October 31, 2000. (Incorporated by reference from Form SB-2 filed with the SEC on August 24, 2001.)
10(i)	*	Share Exchange Agreement dated April 30 th 2004 between Reservenet, Inc. and Gateway Entertainment Group Inc. (Incorporated by reference from Form 8K filed with the SEC on June 24, 2004.)
10(ii)	*	Separation Agreement dated March 7, 2005 between Casino Entertainment Television Inc. and Stephen Lasser. (Incorporated by reference from Form 10-QSB filed with the SEC on February 8, 2006.)
10(iii)	*	Share Cancellation and Business Transfer Agreement dated March 7, 2005 between Casino Entertainment Television Inc. and Lawrence Smith. (Incorporated by reference from Form 10-QSB filed with the SEC on February 8, 2006.)
10(iv)	*	Loan Agreement dated June 19, 2005 between Ouvo, Inc. and Ludwig Holdings Inc. (Incorporated by reference from Form 10-QSB filed with the SEC on February 8, 2006.)
10(v)	32	Property Purchase Agreement dated August 10, 2006, between Ouvo, Inc. and Madman Mining Co. Ltd.
14	*	Code of Ethics (Incorporated by reference from Form 10-QSB filed with the SEC on February 8, 2006.)
31	35	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-15(e) and 15d-15(e) of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	36	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
* Incorporated by reference from previous filings of the Company.		

EXHIBIT 10(v)

PROPERTY PURCHASE AGREEMENT

THIS AGREEMENT dated the 10th day of August, 2006.

BETWEEN:

OUVO INC., a Delaware company with a registered and records office at Suite 325-3495 Cambie Street, Vancouver, British Columbia, V5Z 4R3

("Ouvo")

AND:

MADMAN MINING CO. LTD. AND LLOYD C. BREWER, having office located at 314-800 West Pender Street, Vancouver, British Columbia, V6C 2V6

(the "Vendor")

WHEREAS:

1) The Vendor is the registered title holder of the St. Johns Ridge Claim, Tenure Number 536564 (the "Vendor Claim") as described in the Summary Report dated August 10, 2006 attached as Schedule "A" hereto;

2) Ouvo wishes to purchase and the Vendor wish to sell their 100% interest Vendor Claim.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and premises contained herein, the parties agree as follows:

1) Ouvo agrees to purchase and the Vendor agree to sell a 100% interest in and to the Vendor Claim, free and clear of all charges, royalties or encumbrances other than as set out in this Agreement.

2) The purchase price payable for a 100% interest in the Vendor Claim is as follows:

Payment by Ouvo of US \$8000 (the "Purchase Price") on September 8th, 2006 (the "Closing").

3) At Closing, the Vendor will deliver to Ouvo transfer of the Vendor Claim in the form of a "Quit-Claim Deed".

4) Except as set out herein, the Purchase Price will be paid via wire transfer to the Vendor as per the wire instructions detailed on Schedule "B" attached.

- 5) The Vendor warrant and represent to Ouvo that:
- a) where applicable they are duly incorporated under the laws of their jurisdiction of incorporation and validly exist as corporations in good standing under such laws;
 - b) they are legally entitled to hold the interest in the Vendor Claim being purchased herein and will remain so entitled until all interest of the Vendor in the Vendor Claim have been duly transferred to Ouvo as contemplated hereby;
 - c) they have duly obtained all corporate authorizations necessary for the performance of this Agreement, and the consummation of the transaction herein contemplated will not conflict with or result in any breach of any covenants or agreements contained in, or constitute a default under, the articles or constating documents of the Vendor nor any shareholders' or directors' resolutions, nor any agreement or other instrument whatsoever to which the Vendor are a party or by which they are bound or to which they may be subject;
 - d) no person other than the Vendor has any right to occupy, own or acquire the Vendor Claim as lessee or otherwise
 - e) there is no outstanding order of any governmental or regulatory authority respecting the Vendor Claim as to environmental matters or any other matter, and the work conducted on the Vendor Claim to date has not violated or breached any environmental or other law, regulation, ordinance or other regulatory requirement;
 - f) they are, and at the time of transfer to Ouvo will be, the recorded holder and beneficial owner of all of the Vendor Claim as outlined in the Summary Report attached as "Schedule "A" hereto free and clear of all liens, charges and claims of others and no taxes, assessments, fees or rentals are due in respect of any thereof other than as set out herein;
 - g) all taxes and/or concession fees respecting the Vendor Claim have been paid and the Vendor Claim are in good standing as to taxes and concession fees until at least the end of 2006.
- 6) Ouvo represents and warrants that it has been duly incorporated and validly exists as a corporation in Delaware, USA, and that neither the execution or delivery of this Agreement nor the performance by Ouvo of its obligations hereunder is a breach of any agreement, the articles or constating documents of Ouvo, nor of any shareholders' or directors' resolution, or agreement or other instrument to which Ouvo is a party or by which it is bound or to which it may be subject.
- 7) Upon execution of this Agreement, the Vendor agree to deliver all available technical data, information and reports respecting the Vendor Claim to Ouvo.
- 8) There are no representations, warranties, collateral agreements, or conditions except as herein specified.
- 9) This Agreement will enure to the benefit of and be binding upon the parties and their respective successors and assigns.

10) The parties will execute and deliver all such further documents, do or cause to be done all such further acts and things, and give all such further assurances as may be necessary to give full effect to the provisions and intent of this Agreement.

11) Any notice required or permitted to be given to any of the parties to this Agreement will be in writing and may be given by prepaid registered post, facsimile , or personal delivery to the address of such party first above stated and any such notice will be deemed to have been given and received by the party to whom it was addressed if mailed, on the third day following the mailing thereof, if faxed, on successful transmission, or, if delivered, on delivery; but if at the time of mailing or between the time of mailing and the third business day thereafter there is a strike, lockout, or other labour disturbance affecting postal service, then the notice will not be effectively given until actually delivered.

12) This Agreement will be governed by and construed in accordance with the law of British Columbia, and the parties hereby attorn to the jurisdiction of the Courts of competent jurisdiction of British Columbia in any proceeding hereunder.

13) Words and phrases used herein that have acquired special meanings in the mining industry will be read and construed in accordance with the special meanings attaching to those words, unless the context otherwise requires.

14) The Vendor Claim will be at the risk of the Vendor up to the Closing.

15) This Agreement may be executed in several counterparts, each of which will be deemed to be an original and all of which will together constitute one and the same instrument.

16) Unless otherwise provided, all dollar amounts referred to in this Agreement are in lawful money of the United States.

17) Delivery of an executed copy of this Agreement by telecopy, telex, or other means of electronic communication producing a printed copy will be deemed to be execution and delivery of this Agreement on the date of such communication by the party so delivering such copy.

OUVO INC.

Per: /s/ Kent Carasquero
KENT CARASQUERO, PRESIDENT

MADMAN MINING CO. LTD.

Per: /s/ Lloyd Brewer
LLOYD C. BREWER, PRESIDENT

SCHEDULE "A"

SUMMARY REPORT

on the

ST. JOHN RIDGE PROJECT

PROPERTY:**ST. JOHN RIDGE PROJECT**

located on St. John Ridge, approximately 6 miles northeast of Beaverdell, in south-central British Columbia, Canada

Latitude: 49°30' 30" N

Longitude: 119°59' W

Map Number: 082E55 & 082E56

Greenwood Mining Division

WRITTEN FOR:**OUVO INCORPORATED**

1403, East 900 South
Salt Lake City
Utah, USA 84105

WRITTEN BY:**LLOYD C. BREWER**

Suite 314, 800 West Pender Street
Vancouver, British Columbia
Canada V6C 1V6

DATE:

August 10, 2006

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SUMMARY

The St. John Ridge Project is located on the north edge of the historic Beaverdell Mining Camp. Exploration in the area dates to the 1880's when silver was discovered in 1887 on Wallace Mountain and placer gold was discovered in several creeks located north of the project during the same period. The Beaverdell Mining Camp has produced nearly 50,000,000 ounces of silver, with significant amounts of gold, lead and zinc to date.

The St. John Ridge Project consists of a six cell mineral claim that has a total surface area of approximately 314 acres. The claims are in the Greenwood Mining Division, and is centered at approximately 49°30'30" N latitude and 119°00'W longitude on BC TRIM MAP Sheets 082E055 & 082E056. The town of Beaverdell is located 6 miles to the southwest from the property. There is good road access to most parts of the property.

The project encompasses a documented mineral showings listed in the BC Government mineral inventory data base "MINFILE" as well as an additional gold/silver in soil-geochemical sample anomaly. Exploration within the project boundaries itself dates back to the early 1900's.

The noted MINFILE showing encompassed within the St. John Ridge project is located in the central area of the claim. The showing consists of a 6.5 to 10 foot wide quartz vein developed by 5 trenches and 4 shallow shafts. A rock sample from a trench that exposed the vein returned 0.26 oz/ton gold (Au) and 2.97 oz/ton silver (Ag).

Geochemical soil sample surveys carried out over the area in 1970 and 1984 located two anomalous zones that have an approximate 180° strike. One of the anomalous zones correlates directly with the known strike/surface trace of the vein. The second anomalous zone is a coincident gold, silver, lead, zinc and copper in soil anomaly located approximately 125 feet to the west of, and running parallel to, the known mineralized vein.

Further exploration work designed to test for the down-dip extension or causative source of the mineralized zones is recommended. A program consisting of detailed geological mapping, prospecting, magnetometer (geophysical) survey, rock and soil sampling is recommended. The recommended budget for this work is US\$35,000.

LOCATION AND ACCESS

The St. John Ridge Project is located approximately 180 miles east of Vancouver, near Beaverdell (Figures 1 and 2). The property is located in the Greenwood Mining Division, and is centered at approximately 49°30'30"N latitude and 119°00'W longitude on BC TRIM Maps 082E55 & 082E56. Beaverdell lies 6 miles to the south, Kelowna is located 30 miles to the northwest and Rock Creek and the junction of Highways 3 and 33 are 30 miles to the south.

The claim is best accessed via Beaverdell by going north on Hwy 33 for 3 miles then turning east on the Beaverdell Creek Main Logging road. Continue east for approximately 3 miles until the junction with a secondary logging road that heads north and follows St. John Creek valley. This road runs through the western sections of the Property. A network of secondary gravel roads and trails branch off from the St. John Creek Road and provide good access to most other parts of the property.

PHYSIOGRAPHY, VEGETATION AND CLIMATE

The Property is located within the Monashee Mountains of the Southern Interior Physiographic Region and straddles St. John Ridge. Elevations within the claims range from 3,500 feet to 4,400 feet. The lower elevation of 3,500 feet is located at the southwestern area of the property within the eastern side of the St. John Creek drainage. The highest elevation of 4,400 feet is located at the northeast corner of the property on St. John Ridge.

Slopes within the claim area are moderate to steep throughout the property. Vegetation consists mainly of fir; larch and pine, much of it mature second growth. Some of the area has been recently logged or burned over. There is relatively little underbrush, and there are sections of open grassy lands. Soil cover is extensive, with the soil cover being 4-5 feet thick in the St. John Creek valley bottom and generally less than one-foot deep at higher elevations. Rock exposures make up about 15-20% of the Property surface area.

The local climate features warm summers and cool winters. The Beaverdell area is fairly dry in the summers, although not as dry as the Okanagan valley to the west. Average yearly precipitation is 20 inches. A snow pack of 3-5 feet begins to accumulate in November and lingers in places into May. The recommended field season for initial phases of exploration is from early May to late November. Drilling and underground development can be carried out on a year-round basis with the aid of a bulldozer to keep access roads snow-free.

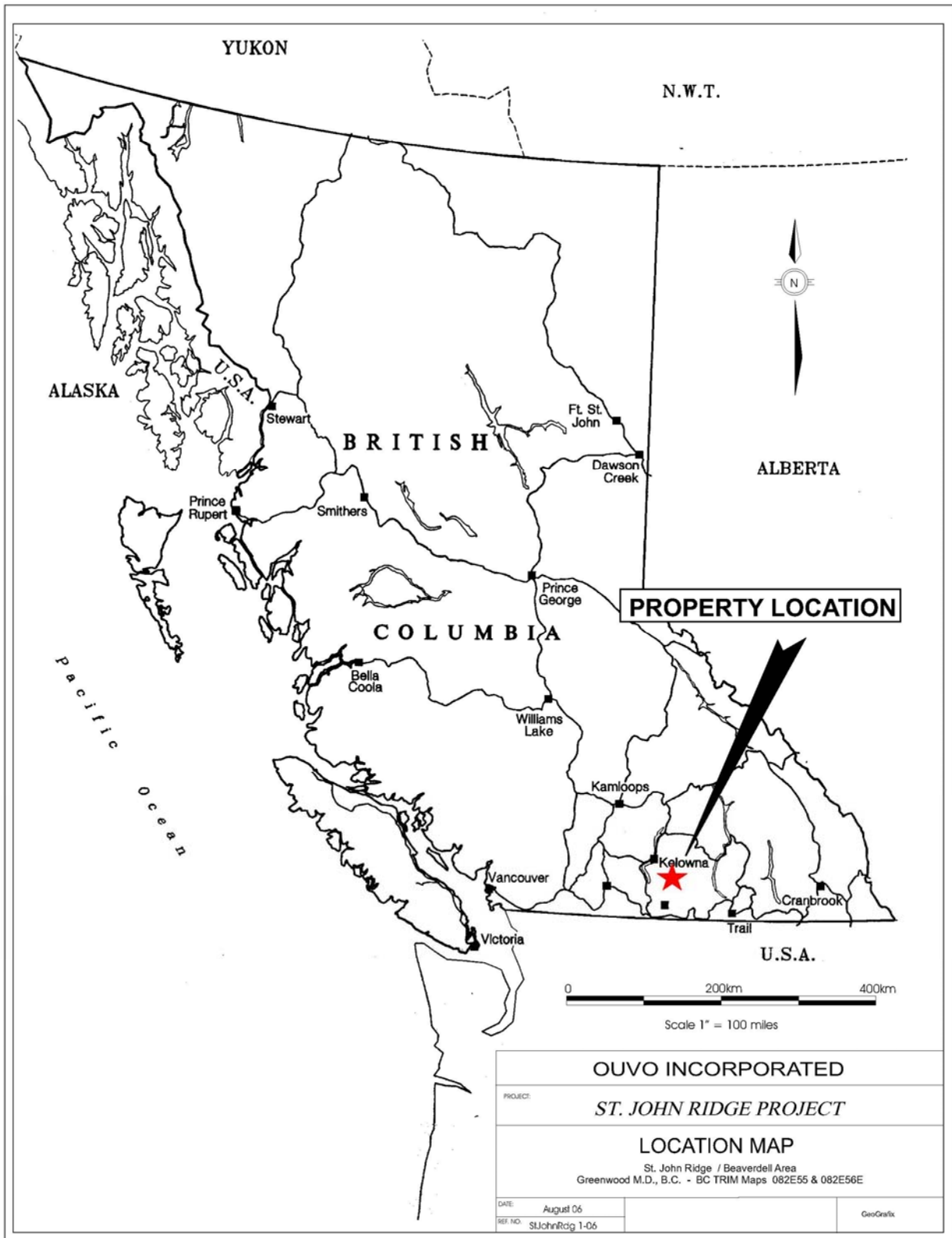
Ample water is available from St. John Creek and Beaverdell Creek to support all phases of exploration and development.

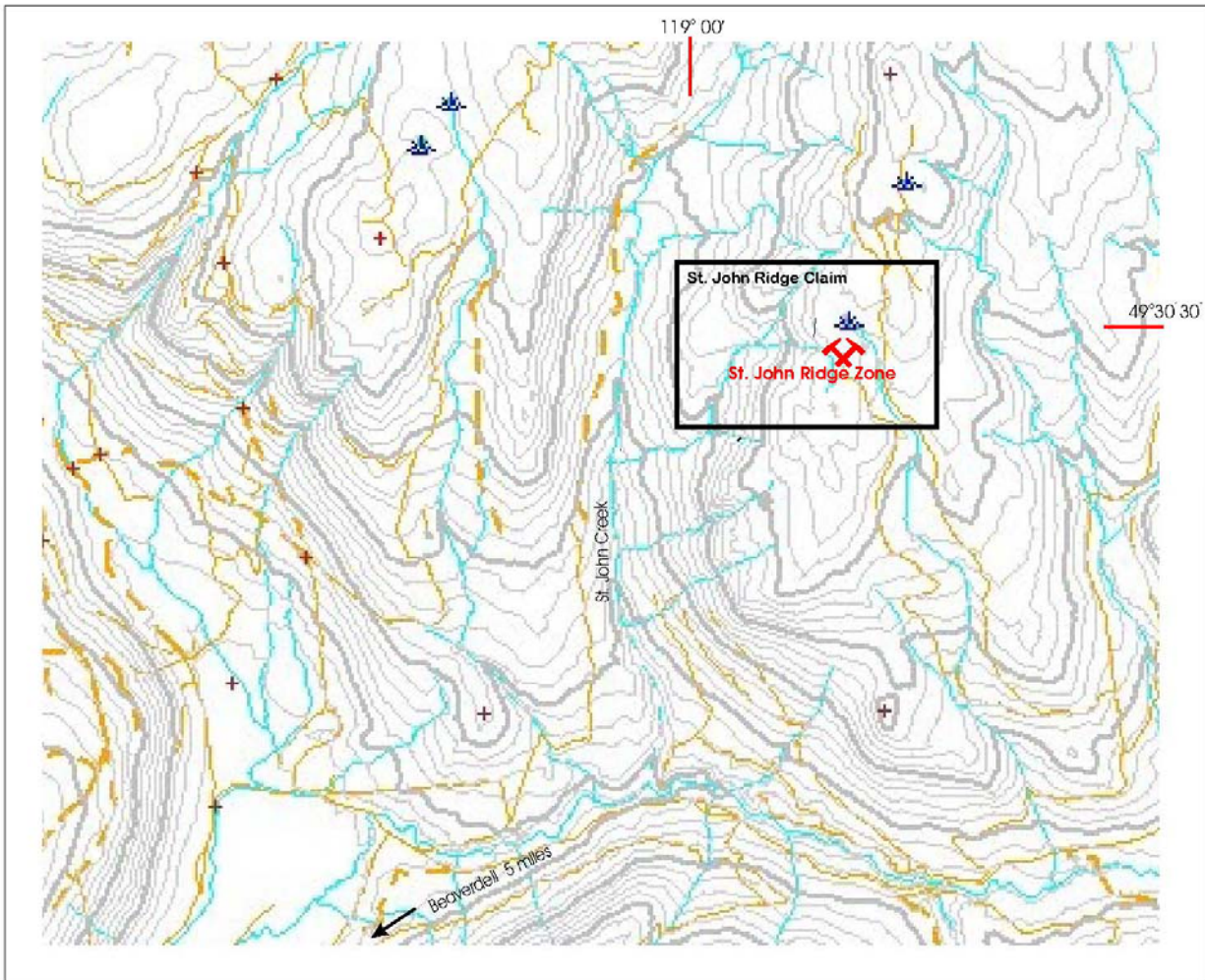
CLAIM INFORMATION AND PROPERTY OWNERSHIP

The St. John Ridge Property is comprised of a 6-cell mineral claim. As of the date of this report a 100% interest in the claim is in the process of being transferred to Ouvo Incorporated. Further claim information is provided in the table below:

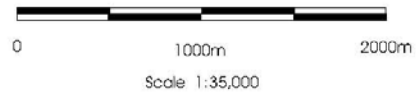
CLAIM NAME	TENURE NUMBER	NUMBER OF CELLS	ANNIVERSARY DATE
St. Johns Ridge	536564	6	July 04, 2007

The total surfacial area of the project is approximately 314.6 acres. Refer to Figure 2 for further detail.





-  Claim Border
-  Contour Interval = 100 ft
-  Contour Interval = 500 ft
-  Roads
-  Rivers & Creeks
-  Mineral Showings



OUVO INCORPORATED	
PROJECT: <i>ST. JOHN RIDGE PROJECT</i>	
CLAIM & TOPOGRAPHY MAP	
St. John Ridge / Beavordell Area Greenwood M.D., B.C. - BC TRIM Maps 082E55 & 082E56	
DATE: August 06	DRAWING NO.:
REF. NO. SJohnRidge 06-02	FIGURE 2

HISTORY

The St. John Ridge Project is located on the northern edge of the historic Beaverdell Mining Camp. Exploration in the area dates to the 1880's when silver was discovered in 1887 on Wallace Mountain and placer gold was discovered in several creeks located north of the project during the same period. Silver production on Wallace Mountain commenced in 1901. The Wallace Mountain area has undergone nearly continuous exploration since the original discoveries, and the Highland Bell Silver Mine saw continuous production for 76 years (1913 to 1989). At its closure in 1989, the Highland Bell Mine had produced over 46 million ounces of Silver (Ag), 12,500 tons of Lead (Pb) and 15,000 tons of Zinc (Zn) as well as minor amounts of Cadmium (Cd), Copper (Cu) and Gold (Au). The Wellington Mine, also on Wallace Mountain produced approximately 1,500,000 ounces of silver between 1901 and 1953. Dozens of other, independently owned, small mines located within the camp produced small amounts of silver, lead, zinc and gold during this period.

Historic records indicate that placer gold was mined in the late 1880's from a creek originating within the northwest area of the claims. Exploration within the project boundaries itself dates back to 1901. In 1901 and 1903 prospecting and trenching was carried out on the St. John Ridge areas of the project.

There is no public record of exploration activity occurring within the project boundaries between 1903 and 1969. However, exploration programs conducted in the 1970's and 1980's located numerous trenches and pits, located within the project area, that were most likely excavated during this period.

In 1970 DeKalb Mining Corporation completed a soil geochemical survey over a portion of the northeastern area of the project.

In 1971 Husky Oil Ltd. carried out ground magnetic and soil geochemical surveys within the northern area of the project.

In 1984 Talisman Silver Mines Inc. completed an exploration program consisting of the emplacement of a small control grid and the collection and analysis of 320 soil geochemical samples within the project.

Addition information regarding the property history is provided in the "Property Geology and Mineralization" section of this report.

REGIONAL GEOLOGY

The area is within the Omineca Crystalline Belt; a NW trending belt dominated by plutonic and high-grade metamorphic rocks. Regional geology is presented in Figure 3, the source of which is G.S.C. Map 1736A by Templeman-Kluit.

Rock units present in the immediate area of the project include:

Jurassic age Nelson Plutonics comprised primarily of quartz diorite, monzonite and granodiorite but also include greenstones, amphibolites, mafic schists, meta-wackes and lesser limestone of the Carboniferous and older Anarchist Group. This sedimentary and volcanic package occurs as isolated rafts or roof pendants surrounded by the younger intrusive.

The Valhalla Intrusions (granite and granodiorite) of Jurassic-Cretaceous age are distinguished from the Nelson Plutonics by their porphyritic nature and general lack of foliation.

The Coryell Group is Eocene porphyritic felsic intrusions that occur as plugs and dykes in the area. These trachytes, andesites and lesser tuff and shale interbeds outcrop in erosional remnants on the property and in fault bounded outliers throughout the Okanagan region.

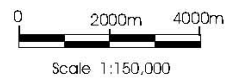
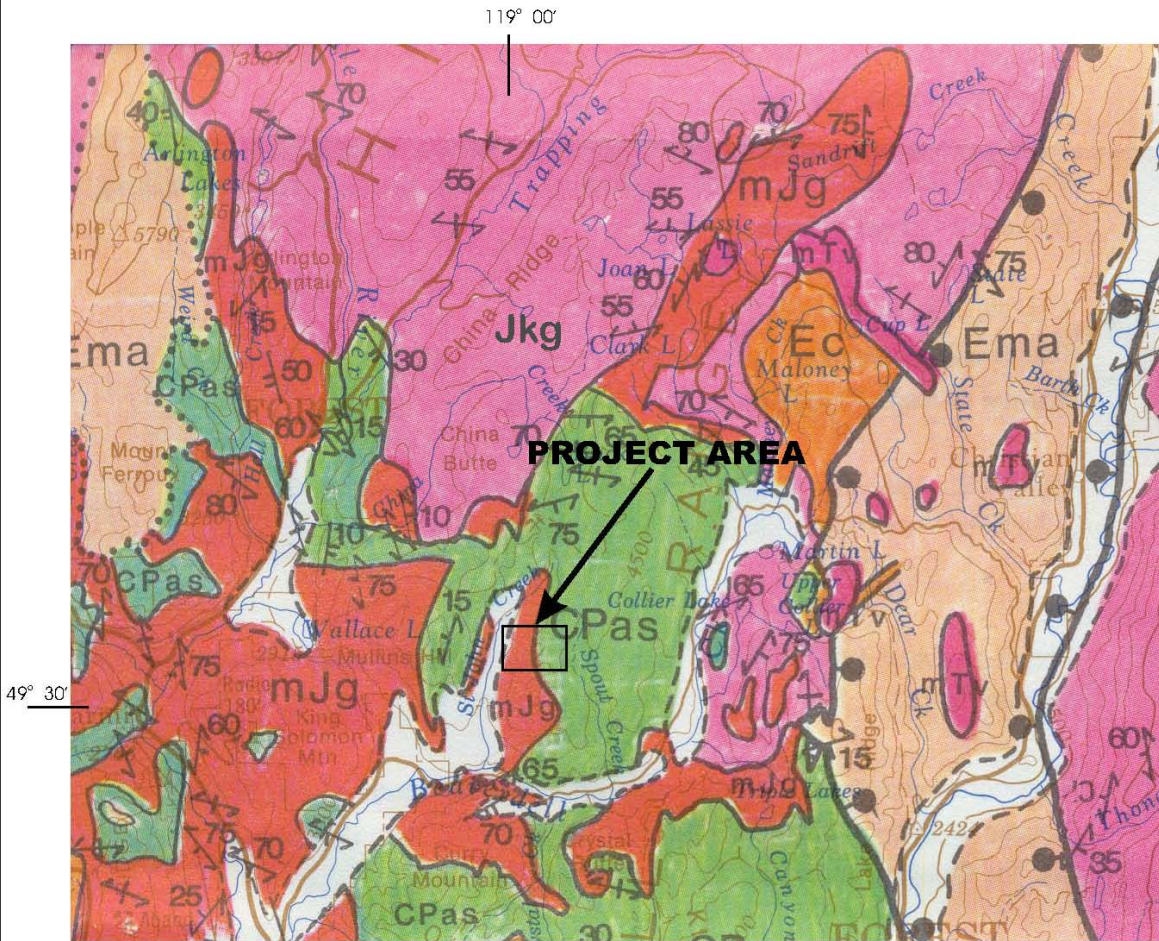
Fine-grained mafic dykes are the youngest intrusive rocks in the area, and are related to regionally significant Miocene plateau basalts. Several dykes occur within the property.

PROPERTY GEOLOGY AND MINERALIZATION

The only source of property geological information available is the above noted regional geological map by Templeman-Kluit. Some specific geological information/notes, directly associated with known mineralization within the property, has been found and is included within each of the mineral showing descriptions below.

The following property geological information is based on Templeman-Kluit's regional mapping (Figure 3).

The St. John Creek is primarily underlain by Nelson Plutonic Rocks which are covered by a thin layer of alluvial material (gravel, sand and soil).



- Ema Marron Group (Eocene)
Un differentiated andesite, dacite and trachyte
- Ec Coryell Syenite (Eocene)
alkalic to calc-alkalic, high level, pink and buff syenite and quartz monzonite and trachytic pink feldspar porphyry dykes
- JKg Okanagan Batholith (Cretaceous and/or Jurassic)
massive, light grey weathering, medium - to coarse-grained, equigranular to porphyritic, unfoliated to weakly foliated, fresh biotite granodiorite and granite
- mJg Nelson Plutonics Rocks (Middle Jurassic)
massive, generally moderately foliated, medium grey weathering, medium - to coarse-grained, equigranular
- CPas Anarchist Group (Carboniferous or Older)
dark grey weathering, recessive, amphibolite, greenstone, quartz-chlorite schist, quartz-biotite schist, minor serpentinized peridotite
- Geological Contact (defined, approximate, assumed)

OUVO INCORPORATED		
<i>ST. JOHN RIDGE PROJECT</i>		
REGIONAL GEOLOGY		
St. John Ridge / Beaverdell Area Greenwood M.D., B.C. - BC TRIM Maps 082E55 & 082E56		
DATE: August 06		DRAWING NO. FIGURE 3
REF. NO. StJohnRdg 06 - 03		

GeoGraphix

The British Columbia Geological Survey/Department of Mines mineral inventory file "BCDM MINFILE" notes that a designated mineral showing occurs within the St. John Ridge Project area as follows:

St. John Ridge Vein: this showing is located within the central portion of the project. The showing consists of a quartz vein hosted by limestone and quartzite of the Carboniferous-Permian Anarchist Group and has been developed by 5 trenches and 4 shallow shafts.

Mineralization includes pyrite, pyrrhotite and chalcopyrite in a gangue of quartz-epidote-calcite. The vein is reported to be 6.5 to 10 feet wide. It strikes 190° and dips to the west; no dip angle is given and has a known strike length of 1,350 feet. Early reports refer to a massive body of arsenical iron pyrite containing gold and silver values and underlain by iron-stained barren quartz. The Minister of Mines Annual Report 1901 reports gold values averaging 0.02 oz. /ton and silver values of 2.97 oz/ton. A rock sample from a trench that exposed the vein returned 0.26 oz/ton Au.

Geochemical surveys carried out over the area in 1970 and 1984 located several weakly anomalous zones that have an approximate 180° strike. One of the anomalous zones correlates directly with the known strike of the vein.

A coincident gold, silver, lead, zinc and copper soil anomaly is located 125 feet to the west of, and runs parallel to, the known mineralized vein.

CONCLUSIONS AND RECOMMENDATIONS

The St. John Ridge Project contains two zones of gold, silver, copper, lead and zinc mineralization.

The limited exploration work conducted within the property to date has focused on the known mineral showings themselves. This work did locate two (2) gold, silver and copper geochemical anomalies, coincident with high-grade rock samples from old trenches that require follow-up.

Modern exploration techniques and mineralization theories should be implemented to test for a larger body of mineralization that is thought to be the causative source for the numerous mineral showings within the project area.

The results of previous work carried out on the St. John Ridge indicates that there is strong potential for the discovery of additional gold, silver, copper, lead and zinc mineralization within the project area. It is therefore recommended that the following steps be carried out to further test the mineralization within the property:

4. Emplace a control grid with a surveyed base line over the entire property;
5. Conduct detailed geological mapping and prospecting over the entire property –tying in all showing locations, roads/trails, geological data and samples to the control grid;
6. Complete a magnetometer survey over the entire property;
7. Complete mechanical trenching along the strike of the known mineralized zones. Detailed geological mapping and rock sampling should be carried out in each trench; and
8. Diamond Drilling should be carried out along the projected strike of and down dip of the main mineralized zones.

NOTE: Stages 1 - 3 are recommended for Phase I exploration Program and stages 4 and 5 are recommended for the Phase II exploration program.

A table detailing the costs of the Phase I exploration program is located on the following page.

CONCLUSIONS AND RECOMMENDATIONS (Continued)

The aforementioned recommendation notwithstanding, the following two-phase exploration for the St. John Ridge Project is recommended:

PHASE I

The Phase I program will require approximately 3 weeks completing and will consist of grid emplacement, detailed geological mapping, prospecting, rock and soil sampling and geophysical magnetometer survey. An additional 3 weeks will be required to complete analysis of samples, data compilation and interpretation, drafting and report writing. Results gained from the program will lead to a better understanding of, the location of and controls of, mineralization at known showings as at any new showings and/or anomalous areas discovered as a result of the Phase I program.

Personnel:

Senior Geologist	3 days @ \$500.00	\$ 1,500.00
Project Geologist	20 days @ \$325.00	6,500.00
Prospector/Field Assistant	20 days @ \$225.00	4,500.00

Field Costs:

Field Camp and Supplies	40 man/days @ \$50.00/m/d (including camp rental, GPS rental, food, prospecting and sampling equipment, first aid and chain saw)	2,000.00
Field Communications	Long Distance charges Motorola 2 way field radios	400.00
Survey Consumables	Sample bags, survey flagging, pickets etc.	950.00
Geophysical survey	Detailed total field magnetometer survey	6,150.00

Transportation:

Truck Rental	20 days \$100.00	2,000.00
Mob/de-mob	Base-Project and Return (fuel/meals/motel & truck mileage charges)	500.00

Analytical:

Rock Samples	50 samples @ \$24.50/sample (Au+32 element ICP) (budget for 20 over detection limit assays - additional at approx \$15.00/sample)	1,225.00
Soil Samples	100 samples @ \$23.50/sample (Au + 32 element ICP)	2,350.00
Petrography/Thin Section	10 samples	270.00

Office & Engineering:

Report Writing	based on results of Phase I exploration program	2,000.00
Drafting/Cartography	(including field base map and all final maps detailing geological mapping, sample locations and results, location of old workings and compilation of results from previous work on property)	2,500.00

Overhead & Contingency

1,880.00

Total estimate cost of the Phase I exploration program

\$34,725.00

PHASE II:

The Phase II exploration program is contingent on the success of the Phase I program. mechanical trenching and diamond drilling are foreseen to be the logical next step. The minimum estimated cost of the Phase II program is \$50,000.

REFERENCES

- B.C. Minister of Mines** Annual Reports, 1901-1141 & 1142; 1903-247
- B.C. Minister of Mines** Mineral Inventory File (“MINFILE”):
082E NW 037 - IVY, IVY-O;
082E NW 047 - Knob Hill;
082E NW 240 - Mary-O, Mullins Hill;
082E NE 012 - Ellsworth
- Cox, D & Singer, D. A.** Mineral Deposit Models, USGS Bulletin No. 1693
- Haman, P.** Geochemical Report on the Bev & John Claims, St. John Creek Area, BC., for DeKalb Mining Corporation, Assessment Report 3021 (1970)
- James, D.H.** Percussion Drilling Report Carmi Molybdenum and Mullins Hill Areas, Carmi Area, BC., for Vestor Explorations Ltd. and Granby Mining Corporation, Assessment Report 5519 (1975)
- Poloni, J.R.** Geochemical Report on the on the Tuff No. 1 and No. 2 Mineral Claims, Beaverdell Area, BC. for Talisman Silver Mines, Assessment Report 12,005 (1984)
- Rineke, L.** Ore Deposits of the Beaverdell Map Area, Geological Survey of Canada Memoir 79 (1915)
- Tempelman-Kluit, D.J.** Geology, Penticton, British Columbia; Geological Survey of Canada, Map 1736A, scale 1:250,000 (1989)
- Vollo, N.B.** Percussion Drilling Report on the Mullins Hill Group, Carmi BC, for Vestor Explorations Ltd., Assessment Report 5914 (1976)

STATEMENT OF QUALIFICATIONS

I, Lloyd C. Brewer, of Suite 314, 800 West Pender Street, in the City of Vancouver, British Columbia, Canada do hereby certify:

1. THAT I am president and owner of White Wolf Explorations Ltd. And Madman Mining Co. Ltd. and have worked in the mining industry on a full time basis since 1981;
2. THAT I have held direct interests in various mineral claims located in the proximity of the St. John Ridge since 1990 and have worked extensively in the area during this period.
3. THAT this report is based on an exploration programs carried out under my direct supervision by crews of White Wolf Explorations Ltd. on numerous properties in the vicinity of the St. John Ridge Property at various dates, as well as by various geological reports and publications, in both the private and public domain;

Dated at Vancouver, British Columbia, this 10th day of August, 2006.

/s/ Lloyd C. Brewer
Lloyd C. Brewer

EXHIBIT 31

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kent Carasquero, chief executive officer and chief financial officer of Ouvo, Inc. (“Registrant”) certify that:

1. I have reviewed this Quarterly Report on Form 10-QSB (“Report”) of Registrant;
2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the period presented in this Report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) for the Registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the Registrant is made known to me by others within those entities, particularly during the period in which this Report is being prepared;
 - b) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this Report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
 - c) Disclosed in this Report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the registrants fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls over financial reporting.

Date: October 5, 2006

/s/ Kent Carasquero

Kent Carasquero

Chief Executive Officer and Chief Financial Officer

EXHIBIT 32

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-QSB of Ouvo, Inc. (“Registrant”) for the quarterly period ended June 30, 2006 as filed with the Securities and Exchange Commission on the date hereof (“Report”), I, Kent Carasquero, chief executive officer and chief financial officer, hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) This Report complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in this Report fairly represents, in all material respects, the financial condition of Registrant at the end of the period covered by this Report and results of operations of Registrant for the period covered by this Report.

Date: October 5, 2006

/s/ Kent Carasquero

Kent Carasquero

Chief Executive Officer and Chief Financial Officer

This certification accompanies this Report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by Registrant for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this Report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the Registrant and will be retained by the Registrant and furnished to the Securities and Exchange Commission or its staff upon request.