GOLDCORP INC
Form 6-K/A
March 12, 2007

FORM 6-K
(Amendment No. 1)
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For the month of March, 2007

Goldcorp Inc.
(Translation of registrant s name into English)

Park Place, Suite 3400, 666 Burrard Street
Vancouver, British Columbia V6C 2X8 Canada
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F:
Form 20-F o Form 40-F þ

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): o

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): o

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant s home country), or under the rules of the home country exchange on which the registrant s securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant s security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:
Yes o No þ

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-____________

Explanatory Note

This Amendment No. 1 to Form 6-K for the period ended March 31, 2006 is being filed to restate the Registrant s U.S. GAAP note to its financial statements for the period ended March 31, 2006. This statement only pertains to the U.S. Registrant s U.S. GAAP reconciliation note disclosure and there are no other changes to the Registrant s financial statements.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GOLDCORP INC.

By: /s/ Anna M. Tudela
Name: Anna M. Tudela
Title: Director, Legal and
Assistant Corporate Secretary

Date: March 9, 2007

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goldcorp
inc
first quarter report
march 31, 2006

(in United States dollars, tabular amounts in thousands, except where noted)

Management s Discussion and Analysis
of Financial Condition and Results of Operations
Three Months Ended March 31, 2006

This Management s Discussion and Analysis should be read in conjunction with Goldcorp s unaudited interim consolidated financial statements for the three months ended March 31, 2006 and related notes thereto which have been prepared in accordance with Canadian generally accepted accounting principles. Goldcorp s accounting policies are consistent with United States generally accepted accounting principles in all material respects except as outlined in note 13 to the unaudited interim consolidated financial statements. In addition, the following should be read in conjunction with the 2005 audited consolidated financial statements, the related annual Management s Discussion and Analysis, and the Annual Information Form/40-F on file with the US Securities and Exchange Commission and Canadian provincial securities regulatory authorities. All figures are in United States dollars (tabular amounts are in thousands) unless otherwise noted. This Management s Discussion and Analysis has been prepared as of May 12, 2006.

FIRST QUARTER HIGHLIGHTS

Net earnings tripled to $92.4 million ($0.27 per share), compared with $29.5 million ($0.12 per share) in 2005.

Gold production increased to 295,100 ounces, compared with 275,400 ounces in 2005.

Gold sales were 288,400 ounces, compared with 217,500 ounces in 2005.

Total cash costs were minus $88 per ounce (net of by-product copper and silver credits) (2005 positive $94) (1) .

On March 31, 2006, Goldcorp completed the acquisition of Virginia Gold Mines and its Éléonore gold project in Quebec, Canada.

Dividends paid during the quarter of $15.3 million.

On May 12, 2006, Goldcorp closed on the agreement with Barrick Gold Corporation (Barrick) to acquire Placer Dome Inc s (Placer Dome s) Canadian operations and other assets for cash of approximately $1.6 billion, subject to final adjustments.

On May 9, 2006, Goldcorp warrant holders voted in favor of the early exercise of the warrants. Proceeds are expected to be approximately $480 million assuming all warrants are exercised during the 30-day early exercise period.

(1) The Company has included a non-GAAP performance measure, total cash cost per gold ounce, throughout this document. The Company reports total cash costs on a sales basis. In the gold mining industry, this is a common performance measure but does not have any standardized meaning, and is a non-GAAP measure. The Company follows the recommendations of the Gold Institute standard. The Company believes that, in addition to conventional measures, prepared in accordance with GAAP, certain investors use this information to evaluate the Company s performance and ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

Management s Discussion and Analysis
(in United States dollars, tabular amounts in thousands, except where noted)

OVERVIEW

Goldcorp is a leading gold producer engaged in gold mining and related activities including exploration, extraction, processing and reclamation. The Company s assets are comprised of the Red Lake Mine, a 37.5% interest in the world-class Alumbrera gold/copper mine in Argentina, the Luismin gold/silver mines in Mexico, the Amapari gold mine in Brazil, the Peak gold mine in Australia and the Wharf gold mine in the United States. Significant development projects include the expansion of the existing Red Lake mine, the Los Filos gold project in Mexico, and the Éléonore gold project in Canada. Goldcorp also owns a 62% interest in Silver Wheaton Corp (Silver Wheaton), a publicly traded silver mining company (see Subsequent Events).

Goldcorp is listed on the New York Stock Exchange (symbol: GG) and the Toronto Stock Exchange (symbol: G). In addition, the Company has five series of share purchase warrants which trade on the Toronto Stock Exchange; two of which also trade on the New York Stock Exchange. The Series A, B and C share purchase warrants replaced the former Wheaton share purchase warrants as of April 15, 2005, adding to the two previously existing series of Goldcorp share purchase warrants. Based on the completion of the early exercise of the existing warrants, the Company expects to receive proceeds of approximately $480 million to be used to pay down the debt undertaken on acquisition of Placer assets. In addition, the Company will issue a fraction of a new warrant for each exercised warrant.

Goldcorp s strategy is to provide its shareholders with superior returns from high quality assets. Goldcorp has a strong and liquid balance sheet, and has not hedged or sold forward any of its future gold production.

Goldcorp is the world s lowest cost million ounce gold producer. Gold production in 2006 is expected to approximate 2 million ounces on an annualized basis, at a total cash cost of less than $125 per ounce, taking into consideration the acquisition of Placer Dome assets from Barrick. Given the acquisition was completed on May 12, 2006, the pro-rated actual production is estimated to be 1.7 million ounces in 2006.

GOLDCORP INC. RESTATEMENT

Goldcorp Inc. (Goldcorp) is filing this amendment to its Interim Report on Form 40-F for the period ended March 31, 2006, to amend and restate the US GAAP note disclosure in its financial statements for the periods 2006 and2005. The restatement adjusts our US GAAP accounting for share purchase warrants with an exercise price denominated in a currency other than the Company s functional currency, issued by the Company commencing in April 2002.

The Company primarily reports in Canadian GAAP and provides, in its financial statement note disclosure, a reconciliation to US GAAP. Under Canadian GAAP, all of the Company s outstanding share purchase warrants are accounted for appropriately as equity. Based on the current interpretation of Statement of Financial Accounting Standards (SFAS) No. 133, *Accounting for Derivative Instruments and Hedging Activities*, share purchase warrants denominated in a currency other than the functional currency of the Company are classified and accounted for as a financial liability. The share purchase warrants did not satisfy the requirements to be scoped out as a derivative as per SFAS 133. From an economic perspective, the warrants will provide and have provided cash flow to the Company as an equity instrument. Previously, the Company was accounting for these share purchase warrants as equity based on its interpretation of SFAS 133 that they qualified for a scope exception. As a result of the SEC interpretation that these share purchase warrants did not meet the specific requirements of SFAS 133 for a scope exception, the Company has restated its first quarter 2006 and 2005 US GAAP net earnings to reflect the mark-to-market impacts related to fair valuation of these series of warrants. The restatement has no effect on the Company s operations, cash flows, or liquidity at the ends of the respective restated periods.

The Financial Accounting Standards Board (FASB) has recently initiated a project on a similar issue to provide implementation guidance on determining whether a conversion option in convertible debt issued with a conversion option that has an exercise price that is denominated in a currency other than the issuer s functional currency qualifies for the scope exception provided in SFAS 133. This would indicate that the accounting for the issue that gave rise to the Company s amendment relating to its outstanding share purchase warrants may be revisited by the FASB.

(in United States dollars, tabular amounts in thousands, except where noted)

ACQUISITION OF VIRGINIA GOLD MINES

In December 2005, the Company announced that it had entered into an agreement with Virginia Gold Mines Inc (Virginia) to acquire Virginia s Éléonore gold project in Quebec, Canada pursuant to a plan of arrangement involving Virginia. Under the agreement, shareholders of Virginia received 0.4 of a Goldcorp common share and 0.5 of a share in a new public exploration company (New Virginia) for each issued and outstanding Virginia share. On March 31, 2006, Goldcorp completed the acquisition of Virginia and retained the Éléonore gold project. New Virginia holds all other assets of Virginia, including net working capital, cash received prior to closing on the exercise of Virginia options and warrants, its non-Éléonore assets and a sliding scale 2% net smelter return royalty on the Éléonore project. On March 31, 2006, Goldcorp issued 19.3 million common shares, and warrants, pursuant to the transaction valued at total consideration of $406 million.

The acquisition of Virginia was originally disclosed as an asset acquisition. Upon further review, the Company concluded that the transaction should be described as a business combination as Virginia was a business whose principal operations are the exploration of mining properties. This change in description does not change the basis of the accounting for the transaction.

ACQUISITION OF CERTAIN PLACER DOME MINING ASSETS

On October 30, 2005, Goldcorp entered into an agreement with Barrick to acquire certain of Placer Dome s Canadian and other mining assets and interests upon Barrick s successful acquisition of Placer Dome. On March 15, 2006, Barrick acquired 100% of the outstanding shares of Placer Dome for approximately $10.0 billion in shares and cash. On May 12, 2006, Goldcorp completed the agreement with Barrick for cash of approximately $1.6 billion, subject to final adjustments. The acquisition was funded with a $250 million advance payment paid in January 2006 from cash on hand. The remainder was paid upon closing by drawing down on credit facilities in the amount of $1.3 billion. Goldcorp has acquired Placer Dome s interests in the Campbell (100%), Porcupine (51%) and Musselwhite (68%) gold mines in Canada, and the La Coipa (50%) gold/silver mine in Chile. Goldcorp has also acquired a 40% interest in the Pueblo Viejo gold development project in the Dominican Republic, together with Placer Dome s interest in its Canadian exploration properties, including the Mount Milligan copper/gold deposit in British Columbia. On April 19, 2006, Goldcorp entered into an agreement with Atlas Cromwell Ltd (Atlas) to sell certain of Goldcorp s recently acquired Canadian exploration interests in exchange for preference shares convertible into 240 million common shares of Atlas at a notional price of C$0.50 per share for total notional consideration of C$120 million. These assets include Placer Dome s former interests in Mt. Milligan, Berg, Toodoggone, Maze and Howard s Pass. On completion of the transaction, and assuming 100% conversion of the preferred shares of Atlas, Goldcorp would own an 82% equity interest in Atlas on an issued and outstanding basis (76% fully diluted).

Upon Barrick gaining control of Placer Dome on January 19, 2006, Goldcorp initiated its integration plan. The integration process of the Placer Dome mines is well underway which will allow the Company to maximize on synergies and create significant shareholder value.

This business combination will be accounted for as a purchase transaction, with Goldcorp being identified as the acquirer and the Placer Dome operations as the acquiree. The results of operations of the acquired assets will be included in the consolidated financial statements of Goldcorp from the date of acquisition. After consummation of the proposed acquisition of Placer Dome operations and assets, Goldcorp will complete an exercise to value the identifiable assets and liabilities acquired, including any goodwill that may arise in the acquisition.

ACQUISITION OF WHEATON RIVER MINERALS LTD

In December 2004, Goldcorp and Wheaton announced a take-over bid by Goldcorp for Wheaton on the basis of one Goldcorp share for every four Wheaton shares. On February 14, 2005, the minimum two-thirds bid requirement under the terms of the Goldcorp offer was satisfied. With conditions met, a special $0.50 per share cash dividend, totaling approximately $95 million, was paid to existing Goldcorp shareholders. Goldcorp included, with the exception of net earnings, 100% of Wheaton s operating results from February 14 to April 15, 2005. Net earnings for this period include 82% of Wheaton s operating results. On April 15, 2005, Goldcorp acquired the

Management s Discussion and Analysis
(in United States dollars, tabular amounts in thousands, except where noted)
remaining 18% of Wheaton. A non-controlling interest was assigned to the 18% interest in Wheaton that Goldcorp did not own from February 14 to April 15, 2005 upon which date this non-controlling interest was eliminated. Total consideration amounted to $2.235 billion, including acquisition costs, satisfied by the issuance of 143.8 million Goldcorp shares.

SUMMARIZED FINANCIAL RESULTS

	March 31		December 31		September 30		June 30	
	2006	2005 *(note 1)*	**2005**	2004	**2005**	2004	**2005** *(note 1)*	2004
Revenues	**$ 286,300**	$ 122,800	**$ 268,300**	$ 51,800	**$ 203,700**	$ 50,400	**$ 301,600**	$ 40,500
Gold produced (ounces)	**295,100**	275,400	**296,200**	166,300	**283,700**	163,800	**281,000**	138,600
Gold sold (ounces)	**288,400**	217,500	**307,300**	113,800	**276,700**	112,800	**543,100**	93,600
Average realized gold price (per ounce)	**$ 560**	$ 430	**$ 492**	$ 432	**$ 444**	$ 399	**$ 432**	$ 393
Average London spot gold price (per ounce)	**$ 554**	$ 427	**$ 484**	$ 434	**$ 440**	$ 401	**$ 427**	$ 393
Earnings from operations	**$ 143,900**	$ 53,700	**$ 116,000**	$ 20,100	**$ 87,000**	$ 22,800	**$ 162,400**	$ 16,400
Net earnings	**$ 92,400**	$ 29,500	**$ 101,700**	$ 14,900	**$ 56,500**	$ 9,900	**$ 98,000**	$ 9,200
Earnings per share								
Basic	**$ 0.27**	$ 0.12	**$ 0.30**	$ 0.08	**$ 0.17**	$ 0.05	**$ 0.30**	$ 0.05
Diluted	**$ 0.24**	$ 0.11	**$ 0.27**	$ 0.08	**$ 0.15**	$ 0.05	**$ 0.28**	$ 0.05
Cash flow from operating activities	**$ 74,400**	$ 80,200	**$ 136,900**	$ 22,400	**$ 84,800**	$ 22,300	**$ 163,900**	$ 11,900
Total cash costs * (per gold ounce) *(note 2)*	**$ (88)**	$ 94	**$ (73)**	$ 127	**$ 9**	$ 121	**$ 52**	$ 116
Dividends paid	**$ 15,300**	$ 105,300	**$ 15,300**	$ 8,500	**$ 15,200**	$ 8,500	**$ 15,200**	$ 8,500
Cash and cash equivalents	**$ 169,600**	$ 339,000	**$ 562,200**	$ 333,400	**$ 420,900**	$ 315,600	**$ 420,800**	$ 302,900
Total assets	**$ 5,054,900**	$ 3,309,200	**$ 4,066,000**	$ 701,500	**$ 3,839,200**	$ 648,900	**$ 3,756,000**	$ 608,500

(1)

Includes, with the exception of net earnings, 100% of Wheaton s operating results from February 15, 2005, the date of acquisition, to March 31, 2005. Net earnings include 82% of Wheaton s operating results from February 15, 2005 to April 15, 2005 and 100% from April 16, 2005 onwards.

(2) The calculation of total cash costs per ounce of gold for Peak and Alumbrera is net of by-product copper sales revenue and for Luismin is net of by-product silver sales revenue of $3.90 per silver ounce sold to Silver Wheaton.

* Non-GAAP measure

Review of Financial Results:

Goldcorp was transformed during February, 2005 by the acquisition of Wheaton, which resulted in a substantial increase in revenues, gold production and sales, earnings, cash flows and assets. Also effective April 1, 2005, the Company discontinued its previous practice of holding back from sale approximately one-third of mine production. The first quarter 2006 financial results increased significantly compared to the corresponding period from the prior year as a result of a full three months of operating results from the Wheaton operations, combined with the sale of all production at higher realized metal prices.

(in United States dollars, tabular amounts in thousands, except where noted)

RESULTS OF OPERATIONS

Three Months Ended March 31, 2006

	Red Lake	Alumbrera *(note 2)*	Luismin *(note 3)*	Peak *(note 4)*	Amapari	Wharf	Silver Wheaton	Corporate and Eliminations	**Total**
Revenues	$ 67,400	$ 125,000	$ 34,200	$ 22,600	$ 12,600	$ 7,300	$ 25,700	$ (8,500)	**$ 286,300**
Gold produced (ounces)	121,300	62,300	47,800	33,400	20,400	9,900			**295,100**
Gold sold (ounces)	120,700	51,500	46,500	35,300	22,600	11,800			**288,400**
Average realized gold price (per ounce)	$ 557	$ 577	$ 554	$ 558	$ 556	$ 559	$	$	**$ 560**
Earnings (loss) from operations	$ 44,400	$ 78,400	$ 9,000	$ 7,100	$ (3,000)	$ 1,900	$ 11,300	$ (5,200)	**$ 143,900**
Total cash costs (per ounce)	$ 130	$ (1,310)	$ 117	$ 192	$ 464	$ 315	$	$	**$ (88)**

Three Months Ended March 31, 2005

	Red Lake	Alumbrera *(notes 1,2)*	Luismin *(notes 1,3)*	Peak *(note 4)*	Amapari	Wharf	Silver Wheaton *(note 1)*	Corporate and Eliminations *(note 1)*	**Total**
Revenues	$ 56,000	$ 21,200	$ 13,800	$ 8,000	$	$ 14,900	$ 10,900	$ (2,000)	**$ 122,800**
Gold produced (ounces)	198,500	23,700	20,400	15,100		17,700			**275,400**
Gold sold (ounces)	127,400	15,200	23,300	17,300		34,300			**217,500**
Average realized gold price (per ounce)	$ 429	$ 452	$ 430	$ 423	$	$ 431	$	$	**$ 430**
Earnings (loss) from operations	$ 39,200	$ 9,000	$ 3,400	$ 1,700	$	$ 2,000	$ 3,900	$ (5,500)	**$ 53,700**
Total cash costs (per ounce)	$ 81	$ (397)	$ 80	$ 272	$	$ 282	$	$	**$ 94**

(1) Includes 100% of Wheaton operating results for the period subsequent to February 14, 2005, the date of acquisition.

(2) Includes Goldcorp s 37.5% share of the results of Alumbrera. The calculation of total cash costs per ounce of gold for Alumbrera is net of by-product copper sales revenue.

(3) All Luismin silver is sold to Silver Wheaton at a price of $3.90 per ounce. The calculation of total cash costs per ounce of gold is net of by-product silver sales revenue.

(4) The calculation of total cash costs per ounce of gold at Peak is net of by-product copper sales revenue.

Management s Discussion and Analysis
(in United States dollars, tabular amounts in thousands, except where noted)

OPERATIONAL REVIEW

Red Lake Mine

	Three Months Ended				
	Mar 31 2006	Dec 31 2005	Sep 30 2005	June 30 2005	Mar 31 2005
Operating Data					
Tonnes of ore milled	**63,400**	56,900	58,500	60,600	59,400
Average mill head grade (grams/tonne)	**59**	72	74	79	104
Average recovery rate	**97%**	97%	97%	97%	97%
Gold produced (ounces)	**121,300**	121,400	153,700	142,800	198,500
Gold sold (ounces)	**120,700**	130,400	147,900	408,500	127,400
Average realized gold price (per ounce)	**$ 557**	$ 489	$ 440	$ 433	$ 429
Total cash costs (per ounce)	**$ 130**	$ 126	$ 110	$ 81	$ 81
Financial Data					
Revenues	**$ 67,400**	$ 63,700	$ 65,400	$ 176,900	$ 56,000
Earnings from operations	**$ 44,400**	$ 37,700	$ 36,900	$ 129,100	$ 39,200

The Red Lake mine produced 121,300 ounces of gold, compared with 198,500 ounces for the corresponding period last year. The reduced production relates to lower ore grades and re-alignment of the mining plan and sequence. This was done in order to allow the significant new development at depth in support of the shaft and to accommodate the integration of the Red Lake and Campbell operations. The average mill feed grade was 59 grams/tonne compared to an unusually high 104 grams/tonne in 2005. Recoveries were steady at 97%. The Canadian dollar was approximately 2% stronger relative to the United States dollar, compared to the fourth quarter of 2005, which negatively impacted the total cash costs per ounce. All these factors resulted in cash costs of $130 per gold ounce in the first quarter of 2006, compared to $81 per gold ounce in the first quarter of 2005. Previously, the Company had adopted a policy of holding back from sale approximately one-third of mine production. This practice was discontinued effective April 1, 2005 and the gold bullion on hand at that date was sold during the second quarter.

The expansion project progressed well during the quarter as development work required to connect the new shaft to the existing mine moved ahead. The sinking of the shaft was steady and was deepened by 155 meters in the first quarter, bringing the depth to 1,563 meters as at March 31, 2006. The expanded mill will be ready for operation in mid-2007 and the expansion project is on track for completion in late 2007.

Planning continues at the Red Lake Mine to integrate the Campbell Mine acquired from Placer Dome. Various activities have taken place during the first quarter, including developing potential synergies, reviewing the organizational structure, establishing a new senior management team, initiating strategic business planning, and advancing underground development. Development is being driven from each mine to establish a connection between the two mines at the 34-36 level early in the third quarter.

(in United States dollars, tabular amounts in thousands, except where noted)

Alumbrera Mine (Goldcorp interest 37.5%)

	Three Months Ended					
	Mar 31 2006	Dec 31 2005	Sep 30 2005	June 30 2005	Mar 31 2005	Mar 3 200 *(six week (note*
erating Data						
nes of ore mined	**2,366,600**	3,308,900	2,527,400	3,442,900	3,235,300	1,725,60
nes of waste removed	**8,059,500**	7,667,800	8,188,600	7,535,900	7,190,200	3,540,80
o of waste to ore	**3.4**	2.3	3.2	2.2	2.2	2
nes of ore milled	**3,308,600**	3,591,800	3,255,900	3,450,000	3,430,200	1,735,80
rage mill head grade Gold (grams/tonne)	**0.76**	0.77	0.60	0.58	0.56	0.5
opper (%)	**0.63%**	0.65%	0.57%	0.56%	0.49%	0.4
rage recovery rate Gold (%)	**77%**	79%	77%	77%	77%	7
opper (%)	**89%**	91%	89%	91%	90%	8
d produced (ounces)	**62,300**	71,900	48,100	48,900	47,600	23,70
per produced (thousands of pounds)	**40,800**	46,800	36,300	39,000	32,800	17,20
d sold (ounces)	**51,500**	69,200	48,200	47,700	50,200	15,20
per sold (thousands of pounds)	**33,500**	49,500	38,600	33,900	30,000	10,00
rage realized price Gold (per ounce) *(note 3)*	**$ 577**	$ 498	$ 452	$ 422	$ 417	$ 45
opper (per pound) *(note 3)*	**$ 3.25**	$ 2.28	$ 1.85	$ 1.59	$ 1.62	$ 1.6
l cash costs (per ounce) *(note 2)*	**$ (1,310)**	$ (871)	$ (594)	$ (442)	$ (389)	$ (39
ancial Data						
enues	**$ 125,000**	$ 130,900	$ 81,500	$ 65,600	$ 61,200	$ 21,20
nings from operations	**$ 78,400**	$ 63,100	$ 36,000	$ 26,300	$ 32,600	$ 9,00

(1) Alumbrera s operations are included in Goldcorp s operating results for the period subsequent to February 14, 2005, the date of acquisition of Wheaton.

(2) The calculation of total cash costs per ounce of gold for Alumbrera is net of by-product

copper sales revenue. If copper production were treated as a co-product, average total cash costs at Alumbrera for the three months ended March 31, 2006 would be $162 per ounce of gold and $1.04 per pound of copper (March 31, 2005 $172 per ounce of gold and $0.68 per pound of copper).

(3) The realized metal prices are above spot prices, due to price adjustments on sales receivables in the higher price environment.

During the first quarter, the stripping ratio increased to 3.4 from an average of 2.3 in the fourth quarter of 2005, in line with the planned mining sequence. It is expected to average 3.0 in 2006. Mill throughput for the quarter, which included approximately 2.8 million tonnes of stockpiled ore, was lower due to a planned shutdown that was delayed into the first quarter of 2006.

Total cash costs decreased in the first quarter to minus $1,310 per ounce of gold, net of by-product copper credits, compared to minus $389 per ounce during the same period last year. This decrease in total cash costs resulted primarily from a 100% improvement in the copper price to an average of $3.25 per pound.

Production in the first quarter was 62,300 ounces of gold and 40.8 million pounds of copper and sales were 51,500 ounces of gold and 33.5 million pounds of copper. The difference between production and sales is due to normal timing differences in shipments and delays in the transfer of title which is a requirement for revenue recognition.

The 8% production expansion of the concentrator to a 40 million tonne per annum milling capacity (Goldcorp s share 15 million tonnes) continues on schedule. The expansion involves the installation and commissioning of an additional 6.7 MW ball mill and ancillary equipment. The capital cost of the concentrator expansion is estimated at $16 million (Goldcorp s share $6 million) with commissioning still on target for the end of 2006.

Open pit production for the first quarter was 8% above expectations due to waste dump design changes and haul distance optimization for the haul truck fleet.

Delineation drilling continues within the pit area providing further encouragement that the pit life may be extended marginally in conjunction with the use of slightly higher metal prices.

Management s Discussion and Analysis
(in United States dollars, tabular amounts in thousands, except where noted)
Luismin Mines

	Mar 31 2006 (note 2)	Dec 31 2005 (note 2)	Sep 30 2005 (note 2)	June 30 2005 (note 2)	Mar 31 2005 (note 1)	Mar 31 2005 *(six weeks)* (note 1)
Operating Data						
Tonnes of ore milled	**255,800**	250,600	244,100	218,700	199,000	100,800
Average mill head grade Gold (grams/tonne)	**6.18**	5.57	5.55	6.23	6.59	6.58
Silver (grams/tonne)	**348**	298	332	362	394	328
Average recovery rate Gold (%)	**94%**	94%	94%	95%	95%	96%
Silver (%)	**87%**	88%	88%	91%	88%	90%
Gold produced (ounces)	**47,800**	42,100	41,000	41,800	40,000	20,400
Silver produced (ounces)	**2,191,900**	1,855,700	2,005,700	1,974,400	1,894,000	961,500
Gold sold (ounces)	**46,500**	42,200	39,100	44,000	38,300	23,300
Silver sold (ounces)	**2,167,900**	1,812,300	2,003,800	1,976,400	1,974,000	1,314,800
Average realized price Gold (per ounce)	**$ 554**	$ 486	$ 440	$ 427	$ 428	$ 430
Silver (per ounce)	**$ 3.90**	$ 3.90	$ 3.90	$ 3.90	$ 3.90	$ 3.90
Total cash costs per						