

Consolidated Balance Sheet

As at 30 June

Canadian Funds

ASSETS	2000	1999
Current		
Cash	\$ 245,041	\$ 854,157
Accounts receivable	258,394	257,505
Project advance	329,924	-
Prepaid expenses	1,961	24
	<u>835,320</u>	<u>1,111,686</u>
Cash in Trust		
Reclamation bond	25,194	24,455
Resource Property Costs - <i>Statement 3</i>	8,485,496	5,180,322
Capital Assets (Net of accumulated amortization)	<u>80,973</u>	<u>15,736</u>
	<u>\$ 9,426,983</u>	<u>\$ 6,332,199</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 678,311	\$ 208,541
Due to related party	2,607	-
	<u>680,918</u>	<u>208,541</u>
SHAREHOLDERS' EQUITY		
Share Capital (<i>Note 7</i>)		
Authorized:		
100,000,000 common shares without par value		
Issued and fully paid:		
30,897,940 shares	14,283,181	10,593,231
Deficit	<u>(5,537,116)</u>	<u>(4,469,573)</u>
	<u>8,746,065</u>	<u>6,123,658</u>
	<u>\$ 9,426,983</u>	<u>\$ 6,332,199</u>

ON BEHALF OF THE BOARD:

"Michael D. McInnis" _____, Director

"Richard J. Bailes" _____, Director

Consolidated Statement of Loss and Deficit

For the Six Months Ended 30 June

Canadian Funds

	2000		1999
Revenue			
Interest and other	\$ 9,353	\$	1,396
Administration	-		19,291
	<u>9,353</u>		<u>20,687</u>
Administrative Expenses			
Management fees	146,538		47,452
Consulting fees	30,000		-
Legal, audit and other professional fees	110,032		80,229
Investor relations	46,434		51,581
Office and administration	61,629		29,579
Property investigation	-		80
Travel and accommodation	4,702		1,955
Salaries and benefits	20,782		13,360
Office rent	40,331		46,165
Filing fees	12,616		9,510
Transfer agent fees	3,661		4,480
Shareholder information	-		2,557
B.C. capital tax	1,367		-
Bank charges and interest	15,048		5,135
Amortization	3,703		1,859
Foreign exchange loss (gain)	23,188		(1,618)
	<u>520,031</u>		<u>292,324</u>
Loss for the Period	510,678		271,637
Deficit – beginning of period	<u>5,026,438</u>		<u>4,197,936</u>
Deficit - End of Period	\$ 5,537,116	\$	4,469,573
Loss Per Share			
	\$ 0.02	\$	0.01

Consolidated Statement of Resource Property Costs

For the Six Months Ended 30 June

Canadian Funds

	2000	1999
Direct - Mineral		
Takatu Project, Guyana		
Acquisition/option payments	\$ -	\$ 18,346
Camp and general	-	1,735
Office and administration	178	39,906
Geological and geochemical	7,727	293
	<u>7,905</u>	<u>60,280</u>
Farim Project, Guinea Bissau, West Africa		
Hydrology	113,134	-
Mine planning	52,837	342,379
Engineering	52,956	26,660
West Africa Support	96,435	-
Reserve estimation	88,949	-
Metallurgical	143,984	-
Administration	380,925	108,707
Geological	232,708	-
Drilling	168,458	-
Geotechnical	1,810	218,582
Environmental	24	-
Surveying	17,555	-
Contingency	2,609	323,922
	<u>1,352,384</u>	<u>1,020,250</u>
El Rubi Property, Mexico		
Geological and geochemical	-	8,028
Office and administration	-	7,185
	<u>-</u>	<u>15,213</u>
Costs for the Period	1,360,289	1,095,743
Balance – Beginning of period	<u>7,125,207</u>	<u>4,084,579</u>
Balance - End of Period	\$ 8,485,496	\$ 5,180,322

Consolidated Statement of Cash Flow

For the Six Months Ended 30 June

Canadian Funds

Cash Resources Provided By (Used In)	2000	1999
Operating Activities		
Income (Loss) for the period	\$ (510,678)	\$ (271,637)
Items not affecting cash		
Amortization	3,703	1,859
Changes in non-cash working capital	(13,514)	42,404
	<u>(520,489)</u>	<u>(227,374)</u>
Investing Activities		
Cash paid for resource property costs	(1,360,289)	(1,080,188)
Proceeds on purchase of capital assets	(9,603)	(762)
Reclamation bond	(573)	430
	<u>(1,370,465)</u>	<u>(1,080,520)</u>
Financing Activities		
Shares issued for cash	1,527,650	2,107,550
	<u>1,527,650</u>	<u>2,107,550</u>
Net Increase (Decrease) in Cash	(363,304)	799,656
Cash position – Beginning of period	608,345	54,501
Cash Position - End of Period	\$ 245,041	\$ 854,157
Supplemental Schedule of Non-Cash Transactions		
Shares issued for resource property costs	\$ -	\$ 15,555
Shares issued for loan	-	120,000