

Consolidated Balance Sheet

As at 30 September

Canadian Funds

ASSETS	1999	1998
Current		
Cash	\$ 1,076,597	\$ 7,707
Accounts receivable	306,075	31,959
Prepaid expenses	525	---
	<u>1,383,197</u>	<u>39,666</u>
Cash in Trust		
Reclamation bond	24,803	24,288
Resources Property Costs - Statement 3	6,067,882	3,932,658
Capital Assets	<u>19,477</u>	<u>133,269</u>
	\$ 7,495,359	\$ 4,129,881
LIABILITIES		
Current		
Accounts payable	\$ 84,798	\$ 300,467
SHAREHOLDERS' EQUITY		
Share Capital		
Authorized:		
100,000,000 common shares without par value		
Issued and fully paid:		
27,238,940 shares	12,072,731	7,854,026
Deficit	<u>(4,662,170)</u>	<u>(4,024,612)</u>
	<u>7,410,561</u>	<u>3,829,414</u>
	\$ 7,495,359	\$ 4,129,881

ON BEHALF OF THE BOARD:

"Michael D. McInnis", Director

"Richard J. Bailes", Director

Consolidated Statement of Loss and Deficit

For the Nine Months Ended 30 September

Canadian Funds

	1999		1998
Revenue			
Administration fees	\$ 51,648	\$	6,075
Interest and other	6,120		11,519
	<u>57,768</u>		<u>17,594</u>
Administrative Expenses			
Property investigation	82		872
Management fees	83,965		98,884
Legal, audit and other professional fees	103,664		49,519
Investor relations	124,032		31,876
Office and administration	45,851		70,350
Travel and accommodation	2,615		27,354
Salaries and benefits	23,025		---
Office rent	91,469		---
Filing fees	13,798		5,322
Transfer agent fees	9,120		6,468
Shareholder information	3,644		530
B.C. capital tax	7,267		6,481
Bank charges and interest	10,600		1,682
Amortization	2,995		3,583
Foreign exchange loss (gain)	(125)		(865)
	<u>522,002</u>		<u>302,056</u>
Loss for the Period	464,234		284,462
Deficit – beginning of period	4,197,936		3,740,150
Deficit - End of Period	\$ 4,662,170	\$	4,024,612
Loss Per Share	\$ 0.02	\$	0.02

Consolidated Statement of Resource Property Costs

For the Nine Months Ended 30 September

Canadian Funds

	1999	1998
Direct - Mineral		
Takatu Project, Guyana		
Salaries and benefits	\$ ---	\$ 54,475
Geological and geochemical	293	329
Office and administration	39,083	46,453
Acquisition/option payments	25,200	52,548
Claim fees	---	15,987
Transportation	---	1,553
Equipment maintenance	---	286
Camp and general	1,735	16,868
Drilling and trenching	---	157
	66,311	188,656
Reconnaissance, Guinea Bissau, West Africa		
Salaries and benefits	---	17,477
Analysis	---	3,733
Legal, mining law	88	9,944
Office and administration	---	20,392
Technical consulting	---	44,771
Camp and general	---	15,969
Transportation	---	1,574
	88	113,860
Farim Project, Guinea Bissau, West Africa		
Drilling	714,540	221,029
Geological and geochemical	569,349	141,593
Environmental	9,062	---
Office and administration	259,732	12,461
Property costs	71,798	---
Technical consulting	---	20,533
Transportation	29,306	---
Engineering	36,335	---
Advance project studies	205,567	---
	1,895,689	395,616
El Rubi Property, Mexico		
Geological and geochemical	12,016	---
Office and administration	9,199	10,317
	21,215	10,317
Costs for the Period	1,983,303	708,449
Balance – Beginning of period	4,084,579	3,224,209
Balance - End of Period	\$ 6,067,882	\$ 3,932,658

Consolidated Statement of Cash Flows

For the Nine Months Ended 30 September

Canadian Funds

Cash Resources Provided By (Used In)	1999	1998
Operating Activities		
Loss for the period	\$ (464,234)	\$ (284,462)
Items not affecting cash		
Amortization	2,995	3,583
Changes in non-cash working capital	(130,410)	87,207
	<u>(591,649)</u>	<u>(193,672)</u>
Investing Activities		
Cash paid for resource property costs	(1,967,748)	(708,450)
Proceeds on sale (purchase) of capital assets, net	(5,639)	26,127
Reclamation bond	82	(2,283)
	<u>(1,973,305)</u>	<u>(684,606)</u>
Financing Activities		
Shares issued for cash	3,587,050	77,400
	<u>3,587,050</u>	<u>77,400</u>
Net Increase (Decrease) in Cash		
	1,022,096	(800,878)
Cash position – Beginning of period	54,501	808,585
Cash Position - End of Period	<u>\$ 1,076,597</u>	<u>\$ 7,707</u>
Supplemental Schedule of Non-Cash Transactions		
Shares issued for resource property costs	\$ 15,555	\$ 24,750
Shares issued for loan	120,000	---