

Financial statements of

Ressources Robex inc.

December 31, 2001

Ressources Robex inc.

Table of contents

Auditors' report	1
-------------------------------	---

Financial statements

Statement of loss	2
Statement of deficit	3
Balance sheet	4
Statement of cash flows.....	5
Notes to the financial statements.....	6-15

Auditors' report

To the Shareholders of
Ressources Robex inc.

We have audited the balance sheet of **Ressources Robex inc.** as at December 31, 2001 and the statements of loss, deficit and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2001 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

[Signed : Samson Bélair/Deloitte & Touche]

Chartered Accountants

March 29, 2002

Ressources Robex inc.

Statement of deficit year ended December 31

	2 0 0 1	2 0 0 0
Balance, beginning of year	\$ 5,925,312	\$ 5,451,932
Share issue expenses	5,108	36,479
Net loss	524,012	436,901
Balance, end of year	\$ 6,454,432	\$ 5,925,312

Ressources Robex inc.

Balance sheet as at December 31

2 0 0 1 2 0 0 0

CURRENT ASSETS

Cash	\$ 137,706	\$ 13,017
Temporary investments	-	68,297
Accounts receivable	40,769	21,168

178,475 102,482

MINING RIGHTS AND TITLES, at cost (Note 4)

4,808,138 5,789,433

FIXED ASSETS (Note 5)

9,060 12,037

LONG-TERM INVESTMENTS (Note 6)

33,041 59,100

\$ 5,028,714 \$ 5,963,052

CURRENT LIABILITIES

Accounts payable	\$ 61,874	\$ 50,026
Promissory note, 6%, matured on October 16, 1999	358,007	336,493
Due to directors (Note 10)	67,908	15,308
Due to related companies (Note 10)	9,710	9,710
Current portion of long-term debt (Note 7)	-	412,363

497,499 823,900

LONG-TERM DEBT (Note 7)

- 412,362

497,499 1,236,262

SHAREHOLDERS' EQUITY

Share capital (Note 8)	10,985,647	10,652,102
Deficit	(6,454,432)	(5,925,312)

4,531,215 4,726,790

\$ 5,028,714 \$ 5,963,052

Contingencies (Note 14)

Approved by the Board

Director

Director

Ressources Robex inc.

Statement of cash flows year ended December 31

2 0 0 1 2 0 0 0

OPERATING ACTIVITIES

Net loss	\$(524,012)	\$(436,901)
Adjustments for:		
Write-off of long-term investments	26,059	9,500
Depreciation of fixed assets	3,241	3,354
Write-off of mining rights and titles <i>(Note 9)</i>	284,812	253,414
Loss on disposal of long-term investments	-	2,871
	(209,900)	(167,762)
Changes in non-cash operating working capital items <i>(Note 9)</i>	66,361	(165,506)
Cash flows from operating activities	(143,539)	(333,268)

INVESTING ACTIVITIES

Disposal of long-term investments	-	21,686
Acquisition of long-term investments	-	(37,172)
Acquisition of fixed assets	(264)	(5,123)
Acquisition of mining rights and titles	(128,242)	(1,460,489)
Disposal of mining rights and titles	-	115,128
Cash flows from investing activities	(128,506)	(1,365,970)

FINANCING ACTIVITIES

Issue of long-term debt	-	899,700
Payment of long-term debt	-	(74,975)
Issue of and subscription for common shares	333,545	954,530
Share issue expenses	(5,108)	(36,479)
Cash flows from financing activities	328,437	1,742,776

INCREASE IN CASH AND CASH EQUIVALENTS **56,392** 43,538

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR **81,314** 37,776

CASH AND CASH EQUIVALENTS, END OF YEAR *(Note 9)* **\$ 137,706** \$ 81,314

Ressources Robex inc.

Notes to the financial statements year ended December 31, 2001

1. Description of business

The Company, incorporated under Part 1A of the *Companies Act* (Québec), has interests in mining properties that are in the exploration stage and for which the profitability of operations has not yet been determined.

2. Accounting policies

The financial statements are prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

Going concern

The financial statements are prepared in accordance with accounting principles applicable to a going concern, on the assumption that Ressources Robex inc. will continue its operations for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of business. The Company has incurred substantial operating losses in the past few fiscal years.

The Company's viability is contingent on the support of creditors and their willingness to suspend payment of amounts presently due. Failing this, it is doubtful the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Moreover, the continuation of exploration activities depends on the Company's ability to secure new sources of financing.

Use of estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amounts of assets and liabilities and of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Temporary investments

Temporary investments, which comprise Canadian Treasury bills, are valued at the lower of cost and market value.

Ressources Robex inc.

Notes to the financial statements year ended December 31, 2001

2. Accounting policies (continued)

Mining rights and titles

The book value attributed to mining rights and titles corresponds to the acquisition costs and exploration expenses incurred by the Company with respect to its properties. These rights and titles, accounted for by project when exploration work is complete, are deferred until the Company decides to begin operations or are written off if all activity related to a program is discontinued.

Fixed assets

Fixed assets are stated at cost and depreciated under the declining balance method at the following annual rates:

<i>Office furniture</i>	20%
<i>Computer equipment</i>	30%

Stock option plan

The Company has a stock option plan, which is described in Note 8b). No expense is recognized with respect to this plan when the stock options are granted. Any consideration paid by the holder when the options are exercised is credited to share capital.

3. Change in accounting policy

The Company has adopted the recommendations from Section 3500, Earnings per share, published by the Canadian Institute of Chartered Accountants. The application of this new accounting standard had no effect on the calculation of basic earnings per share. Under the recommendations, the treasury stock method is used to calculate diluted earnings per share for share warrants and stock options. Under this method, the weighted number of outstanding common shares used to calculate the diluted earnings per share is determined based on the assumption that the proceeds receivable on the exercise of stock options will be used to purchase the common shares at their average market price during the period.

The recommendations have been applied retroactively and have had no material impact on the diluted earnings per share for the previous year.

Ressources Robex inc.

Notes to the financial statements year ended December 31, 2001

4. Mining rights and titles

The acquisition cost and exploration expenses by project are as follows:

Description	2 0 0 1	2 0 0 0
Upton Township (barium hydroxide and zinc deposit)		
Upton Project		
Acquisition	\$ 54,607	\$ 54,607
Exploration and financing solutions fees	1,203,587	1,200,531
Land purchase options ⁽¹⁾	20,500	20,500
Future royalties discharged through share issues	250,000	250,000
Roy-McKenzie Township		
25% undivided interest		
Acquisition	10,000	10,000
Exploration	282,505	282,505
Vianey Mine ⁽²⁾		
100% undivided interest		
Acquisition	-	978,820
Exploration	-	32,525
Diangounté - Kata - Mali ⁽³⁾		
85% undivided interest		
Acquisition	1,187,075	1,187,075
Exploration	1,799,862	1,677,803
Baroya – Mali		
Acquisition	1	1
Taffassasset – Niger		
10% undivided interest		
Exploration	1	95,066
	\$ 4,808,138	\$ 5,789,433

Ressources Robex inc.

Notes to the financial statements year ended December 31, 2001

4. Mining rights and titles (continued)

- (1) Purchase options for the land valued at approximately \$2,950,000, expired in November 2001. The Company is examining different scenarios to pursue the project.
- (2) The Company decided to discontinue the Vianey Mine project. As a result of this decision, the Company's debt was reduced by \$824,775 and mining rights and titles in the amount of \$186,620 were written off.
- (3) Under an agreement, the Company must pay a royalty of US\$750,000 for every million ounces of gold exceeding 500,000 ounces. Pursuant to the terms of this agreement, 50% of the royalty is payable in cash and the other 50% in shares.

The Company has the option to acquire an additional 5% undivided interest through June 2002 for an amount of US\$1,500,000.

5. Fixed assets

	Cost	Accumulated Depreciation	<u>Net Book Value</u>	
			2001	2000
Office furniture	\$ 10,442	\$ 7,036	\$ 3,406	\$ 3,960
Computer equipment	11,704	6,050	5,654	8,077
	\$ 22,146	\$ 13,086	\$ 9,060	\$ 12,037

Ressources Robex inc.

Notes to the financial statements year ended December 31, 2001

6. Long-term investments, at cost

	Market Value	Number of Common Shares	<u>Net Book Value</u>	
			2 0 0 1	2 0 0 0
Public companies				
African Metals Corp.	\$ 4,500	15,000	\$ 5,753	\$ 5,753
Osisko Exploration Ltd.	8,812	146,861	8,812	31,747
Mink Minerals Resources Inc.	1,000	20,000	1	1
Ressources Minérales de Montigny inc.	N/A	1,237,720	1	1
Mines Coveinor Inc.	N/A	52,041	1	1
Ste-Geneviève Resources Ltd.	14	8,500	1	1
Marum Resources Inc.	1,800	20,000	1,800	4,924
Scorpio Mining Corp.	7,350	15,000	16,672	16,672
	\$ 23,476		\$ 33,041	\$ 59,100

7. Long-term debt

	2 0 0 1	2 0 0 0
Balance of purchase price of a property (US\$550,000), non-interest bearing	\$ -	\$ 824,725
Current portion	-	412,363
	\$ -	\$ 412,362

Ressources Robex inc.

Notes to the financial statements year ended December 31, 2001

8. Share capital

Authorized

Unlimited number of shares without par value

Common

Preferred, non-voting, non-participating, variable non-cumulative dividend not exceeding 14%, redeemable at the purchase price

	2 0 0 1	2 0 0 0
Subscribed for		
- common shares (461,420 in 2000)	\$ -	\$ 156,764
Issued		
24,370,050 common shares (22,845,193 in 2000)	10,985,647	10,495,338
	\$ 10,985,647	\$ 10,652,102

a) During the year, the Company issued:

- 300,000 common shares for a cash consideration of \$59,990.
- 728,437 common shares following the exercise of warrants for an amount of \$261,305.
- 35,000 common shares following the exercise of stock options for an amount of \$12,250.

Ressources Robex inc.

Notes to the financial statements year ended December 31, 2001

8. Share capital (continued)

- b) Under a stock option plan, the Company may grant options to certain current service providers, key employees, officers and directors, for up to a total of 5,400,000 common shares. As at December 31, 2001, the Company granted stock options to its directors as follows:

Number of Shares	Exercise Price	Expiry Date
15,000	\$ 0.50	May 27, 2002
127,500	\$ 0.50	July 21, 2002
100,000	\$ 0.55	August 15, 2005
995,000	\$ 0.50	September 6, 2006
2,000	\$ 0.50	September 13, 2006
325,000	\$ 0.50	December 22, 2007
250,000	\$ 0.50	July 8, 2008
540,000	\$ 0.35	June 28, 2009
1,065,000	\$ 0.35	January 24, 2010
5,500	\$ 0.42	March 13, 2010
496,000	\$ 0.65	May 23, 2010
50,000	\$ 0.48	August 15, 2010
25,000	\$ 0.50	August 15, 2010
436,000	\$ 0.35	March 18, 2011
330,000	\$ 0.42	October 3, 2011
25,000	\$ 0.32	November 21, 2011

During the year, the Company granted 1,071,000 stock options and cancelled 920,000 stock options following the resignation of directors.

Ressources Robex inc.

Notes to the financial statements year ended December 31, 2001

9. Additional information on the statement of cash flows

	2 0 0 1	2 0 0 0
<i>Changes in non-cash operating working capital items</i>		
Decrease (increase) in current assets		
Accounts receivable	\$(19,601)	\$ 9,725
Increase (decrease) in current liabilities		
Accounts payable	11,848	(183,446)
Promissory note	21,514	18,049
Due to directors	52,600	15,308
Due to related companies	-	(25,142)
	\$ 66,361	\$(165,506)

Mining rights and titles

During the year, the Company wrote off a mining property in consideration for the cancellation of the long-term debt for an amount of \$824,725.

	2 0 0 1	2 0 0 0
<i>Cash and cash equivalents</i>		
Cash	\$ 137,706	\$ 13,017
Temporary investments	-	68,297
	\$ 137,706	\$ 81,314

Interest paid

Interest	\$ -	\$ 18,049
----------	------	-----------

10. Related party transactions

The statement of loss and share issue expenses include an amount of \$52,600 (\$27,000 in 2000) incurred directly with directors or with companies controlled by the directors. In addition, an amount of \$33,000 (\$71,000 in 2000) was capitalized to mining rights and titles. The amounts included in payables related to these transactions total \$77,618 as at December 31, 2001 (\$25,018 in 2000).

Ressources Robex inc.

Notes to the financial statements year ended December 31, 2001

11. Potential tax benefit

The Company has tax losses available to reduce future taxable income. These losses expire as follows:

2002	\$ 59,000
2003	196,000
2004	121,000
2005	101,000
2006	201,000
2007	88,000
2008	170,291
	<hr/>
	\$ 936,291
	<hr/>

The potential tax benefit has not been recorded.

12. Loss per share

The following table presents reconciliation between the basic loss per share and the diluted loss per share:

	2 0 0 1	2 0 0 0
Net loss		
Basic and diluted	\$ 524,012	\$ 436,901
<hr/>		
Number of shares		
Weighted average number of voting shares outstanding	23,599,898	21,798,280
Dilutive effect of stock options	535	-
<hr/>		
Weighted average number of diluted voting shares outstanding	23,600,433	21,798,280
<hr/>		
Loss per share		
Basic and diluted	\$ 0.022	\$ 0.020
<hr/>		

Ressources Robex inc.

Notes to the financial statements year ended December 31, 2001

13. Subsequent event

In March 2002, the Canadian Venture Exchange conditionally approved a private placement of 860,000 shares at \$0.25 per share and 860,000 warrants. Each warrant entitles the holder to subscribe for one common share of the Company at an exercise price of \$0.33 until the end of the 15th month following the placement closing date.

In addition, the Company cancelled 365,500 stock options after the resignation of a director.

14. Contingencies

The operations of the Company are subject to government legislation related to the protection of the environment. Environmental consequences are difficult to determine and their impact and duration hard to predict. At the present time, management believes, to the best of its knowledge, that the Company's operations are in compliance with all enacted laws and regulations. The potential cost of site restoration will be accounted for in income in the year in which a reasonable estimate of such costs can be made.

In the normal course of business, the Company received an assessment from the ministère du Revenu du Québec concerning taxes for an amount of \$35,794. Management is currently assessing the merits of this assessment, and consequently, is not in a position to estimate the contingent liability. If an amount becomes payable, it will then be recorded in income of that year.