

**CONSOLIDATED FINANCIAL STATEMENTS**

**STRATABOUND MINERALS CORP.**

(Unaudited)

**June 30, 2001**

**Stratabound Minerals Corp.**  
**CONSOLIDATED BALANCE SHEETS**

As at June 30	(Unaudited)	
	<b>2001</b>	<b>2000</b>
	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	24,667	164,104
Marketable securities	19,200	26,000
Accounts receivable	23,406	91,316
Prepays	—	5,293
	67,273	286,713
<b>Capital assets</b>	<b>14,053</b>	<b>20,547</b>
<b>Mineral properties</b>		
Canada	2,753,284	3,275,622
Mexico	1,914,041	1,585,889
	4,667,325	4,861,511
	4,748,651	5,168,771
 <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	71,105	53,787
<b>Reclamation provision</b>	<b>10,800</b>	<b>10,800</b>
	<b>81,905</b>	<b>64,587</b>
 <b>Shareholders' equity</b>		
Share capital	7,406,911	7,097,437
Deficit	(2,740,165)	(1,993,253)
	4,666,746	5,104,184
	4,748,651	5,168,771

## Stratabound Minerals Corp.

### CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

Periods ended June 30

(Unaudited)

	<b>Three months 2001</b>	<b>Three months 2000</b>	<b>Six months 2001</b>	<b>Six months 2000</b>
	\$	\$	\$	\$
<b>Revenues</b>	<b>516</b>	2,547	<b>1,385</b>	2,879
<b>Expenses</b>				
Salaries and benefits	<b>24,324</b>	25,890	<b>49,898</b>	51,666
Office and other	<b>16,220</b>	42,142	<b>33,674</b>	53,627
Professional fees	<b>8,011</b>	13,201	<b>14,806</b>	20,863
Filing fees and investor communications	<b>4,318</b>	6,975	<b>8,464</b>	7,452
Rent	<b>3,060</b>	3,060	<b>6,120</b>	6,120
Depletion and amortization	<b>1,570</b>	1,770	<b>3,140</b>	3,540
Abandoned properties	—	—	—	135,779
	<b>57,503</b>	93,038	<b>116,102</b>	279,047
<b>Net loss for the period</b>	<b>56,987</b>	90,491	<b>114,717</b>	276,168
<b>Deficit, beginning of period</b>	<b>2,683,178</b>	1,902,762	<b>2,625,448</b>	1,717,085
<b>Deficit, end of period</b>	<b>2,740,165</b>	1,993,253	<b>2,740,165</b>	1,993,253
<b>Loss per share</b>	<b>.01</b>	.01	<b>.01</b>	.03

## Stratabound Minerals Corp.

### CONSOLIDATED STATEMENTS OF CASH FLOWS

Periods ended June 30

(Unaudited)

	<b>Three months 2001</b>	<b>Three months 2000</b>	<b>Six months 2001</b>	<b>Six months 2000</b>
	\$	\$	\$	\$
<b>CASH PROVIDED BY (USED IN)</b>				
<b>Operating</b>				
Net loss	(56,987)	(90,491)	(114,717)	(276,168)
Items not involving cash				
Depletion and amortization	1,570	1,770	3,140	3,540
Abandoned properties	—	—	—	135,779
<b>Funds from operations</b>	<b>(55,417)</b>	<b>(88,721)</b>	<b>(111,577)</b>	<b>(136,849)</b>
<b>Net change in non-cash working capital</b>	<b>19,585</b>	<b>(15,033)</b>	<b>34,472</b>	<b>(26,345)</b>
	<b>(35,832)</b>	<b>(103,754)</b>	<b>(77,105)</b>	<b>(163,194)</b>
<b>Financing</b>				
Issuance of share capital	98,250	4,125	98,250	349,510
Share subscriptions	(58,500)	—	—	—
	<b>39,750</b>	<b>4,125</b>	<b>98,250</b>	<b>349,510</b>
<b>Investing</b>				
Expenditures on mineral properties – Canada	—	—	—	(4,097)
Expenditures on mineral properties – Mexico	(81,853)	(57,375)	(105,475)	(91,870)
Proceeds on option of property	—	—	—	24,300
	<b>(81,853)</b>	<b>(57,375)</b>	<b>(105,475)</b>	<b>(71,667)</b>
<b>Increase (decrease) in cash</b>	<b>(77,935)</b>	<b>(157,004)</b>	<b>(84,330)</b>	<b>114,649</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>102,602</b>	<b>321,108</b>	<b>108,997</b>	<b>49,455</b>
<b>Cash and cash equivalents, end of period</b>	<b>24,667</b>	<b>164,104</b>	<b>24,667</b>	<b>164,104</b>

# Stratabound Minerals Corp.

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)  
June 30, 2001  
(Prepared by Management)

## SHARE CAPITAL

### Authorized

An unlimited number of common shares, without nominal or par value

Issued	Number of Shares	Amount \$
June 30, 2001	9,551,132	7,406,911

### Stock options outstanding

Number of Options	Exercise Price \$	Expiry Date
200,000	1.20	Sept 12, 2001
75,000	0.75	July 16, 2002
247,000	0.55	February 24, 2004
40,000	0.55	December 15, 2004
60,000	0.60	July 26, 2005
7,500	0.60	June 12, 2005
200,000	0.50	April 17, 2006
<b>Total: 829,500</b>		

### Share purchase warrants outstanding

Number of Warrants	Exercise Price \$	Expiry Date
133,400	0.80	Nov 5, 2001
87,100	0.80	Dec 15, 2001
52,985	0.80	February 7, 2002
496,084	0.80	March 31, 2002
440,050	0.60	October 24, 2002
196,500	0.60	June 27, 2003
<b>Total: 1,406,119</b>		