

**CONSOLIDATED FINANCIAL STATEMENTS**

**STRATABOUND MINERALS CORP.**

(Unaudited – Prepared by Management)

**March 31, 2003**

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

(Unaudited – Prepared by Management)

	<b>March 31, 2003</b>	<b>December 31, 2002</b>
	\$	\$
<b>ASSETS</b>		
<b>Current</b>		
Cash	32,345	59,408
Marketable securities	200	200
Accounts receivable	2,440	1,916
	34,985	61,524
<b>Capital assets</b>	<b>2,357</b>	<b>2,514</b>
<b>Mineral properties [note 2]</b>		
Canada	2,814,449	2,814,449
Mexico	993,459	992,427
	3,807,908	3,806,876
	3,845,250	3,870,914
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	14,434	14,858
Due to officers	18,000	31,500
	32,434	46,358
<b>Mineral property taxes payable</b>	<b>336,000</b>	<b>336,000</b>
	368,434	382,358
<b>Shareholders' equity</b>		
Share capital [note 3]	7,661,830	7,661,830
Deficit	(4,185,014)	(4,173,274)
	3,476,816	3,488,556
	3,845,250	3,870,914

## Stratabound Minerals Corp.

### CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

Three months ended March 31

(Unaudited – Prepared by Management)

	<b>2003</b>	<b>2002</b>
	\$	\$
<b>Revenues</b>	<b>11</b>	134
<b>Expenses</b>		
Filing fees and investor communications	4,451	3,804
Office and other	3,904	494
Professional fees	1,510	1,449
Salaries and benefits	979	—
Rent	750	750
Depletion and amortization	157	1,580
	<b>11,751</b>	8,077
<b>Net loss for the period</b>	<b>11,740</b>	7,943
Deficit, beginning of period	4,173,274	4,097,834
<b>Deficit, end of period</b>	<b>4,185,014</b>	4,105,777
<b>Basic loss per share</b>	<b>0.001</b>	0.001
<b>Fully diluted loss per share</b>	<b>0.001</b>	0.001

## Stratabound Minerals Corp.

### CONSOLIDATED STATEMENTS OF CASH FLOWS

Three months ended March 31

(Unaudited – Prepared by Management)

	<b>2003</b>	<b>2002</b>
	\$	\$
<b>CASH PROVIDED BY (USED IN)</b>		
<b>Operating</b>		
Net loss	(11,740)	(7,943)
Items not involving cash		
Depletion and amortization	157	1,580
<b>Funds from operations</b>	<b>(11,583)</b>	<b>(6,363)</b>
Net change in non-cash working capital	(14,448)	3,827
	<b>(26,031)</b>	<b>(2,536)</b>
<b>Investing</b>		
Mineral property recoveries – Mexico	—	4,048
Expenditures on mineral properties – Mexico	(1,032)	(678)
	<b>(1,032)</b>	<b>3,370</b>
<b>Increase (decrease) in cash for the period</b>	<b>(27,063)</b>	<b>834</b>
Cash, January 1	59,408	5,576
<b>Cash, March 31</b>	<b>32,345</b>	<b>6,410</b>

# Stratabound Minerals Corp.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2003 and 2002

(Unaudited – Prepared by Management)

The unaudited interim consolidated financial statements for the period ended March 31, 2003 have been prepared by management in accordance with Canadian generally accepted accounting principles and follow the same accounting policies as the consolidated financial statements for the fiscal year ended December 31, 2002. The unaudited interim consolidated financial statements should be read in conjunction with the consolidated financial statements and the notes thereon for the fiscal year ended December 31, 2002.

### 1. FUTURE OPERATIONS

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

These financial statements have been prepared on the going concern basis and do not include any adjustments that may be required should the Company be unable to continue as a going concern. The amounts shown as mineral properties costs represent net costs to date, less amounts written off, and do not necessarily represent present or future values. The recoverability of the cost of mineral properties is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition of properties.

### 2. MINERAL PROPERTIES

The Company has capitalized expenditures related to the Mexican mineral properties summarized as follows:

	<b>Three months 2002</b>	<b>Three months 2001</b>
	\$	\$
<b>Cost - Beginning of period</b>	<b>992,427</b>	639,893
Claims taxes	<b>1,032</b>	678
Other	—	(4,048)
<b>Cost - End of period</b>	<b>993,459</b>	636,523

During the three-month periods ended March 31, 2003 and 2002, the Company did not incur any capital expenditures on its Canadian mineral properties.

# Stratabound Minerals Corp.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2003 and 2002

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### 3. SHARE CAPITAL

#### Authorized

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

#### Issued

	<u>Number of Shares</u>	<u>Amount \$</u>
March 31, 2003	11,066,079	7,661,830

#### Stock options outstanding

	<u>Number of Options</u>	<u>Exercise Price \$</u>	<u>Expiry Date</u>
	247,000	0.55	Feb. 24, 2004
	40,000	0.55	Dec. 15, 2004
	35,000	0.60	July 26, 2005
	200,000	0.50	April 17, 2006
	500,000	0.22	Aug. 2, 2007
<b>Total</b>	<u>1,022,000</u>		

#### Share purchase warrants outstanding

	<u>Number of Warrants</u>	<u>Exercise Price \$</u>	<u>Expiry Date</u>
	196,500	0.60	June 28, 2003
	1,477,447	0.22	May 17, 2004
	440,050	0.22	Oct. 24, 2005
<b>Total</b>	<u>2,113,997</u>		