

BROADLANDS RESOURCES LTD.

FINANCIAL STATEMENTS

Unaudited

MARCH 31, 2003

Balance Sheet	1
Statement of Operations and Deficit	2
Statement of Cash Flows	3
Notes to Financial Statements	4

BROADLANDS RESOURCES LTD.

BALANCE SHEET

Unaudited

AS AT MARCH 31, 2003 AND 2002

	March 31, 2003	March 31, 2002	December 31, 2002
ASSETS			
CURRENT			
Cash	\$ 1,952	\$ -	\$ 333
Accounts receivable	2,645	3,395	2,645
Prepaid expenses	-	500	-
	4,597	3,895	2,978
LONG TERM			
Resource Property (note 3)	44,540	44,540	44,540
	\$ 49,137	48,435	\$ 93,652
LIABILITIES & SHAREHOLDERS' EQUITY			
CURRENT			
Bank overdraft	\$ -	\$ 2,301	\$ -
Accounts payable and accrued liabilities	70,970	91,987	80,963
Due to Southern Gold Resources Ltd.	-	-	43,880
Due to Doublestar Resources Ltd.	59,805	10,144	-
	130,775	104,432	124,843
SHARE CAPITAL	10,172,285	10,172,285	10,172,285
CONTRIBUTED SURPLUS	14,034	14,034	14,034
DEFICIT	(10,267,956)	(10,242,316)	(10,263,643)
	(81,637)	(55,997)	(77,324)
	\$ 49,138	48,435	\$ 47,519

Approved on Behalf of the Board

"Paul Saxton" Director
Paul Saxton

"Alan Savage" Director
Alan Savage

The accompanying notes form an integral part of these financial statements

BROADLANDS RESOURCES LTD.

STATEMENT OF OPERATIONS AND DEFICIT

Unaudited

FOR THE PERIOD ENDED MARCH 31, 2003 AND 2002

	March 31, 2003	March 31, 2002
EXPENSES		
Consultants	\$ -	\$ -
Depreciation	-	-
Listing and transfer fees	4,080	3,285
Office	232	17,110
Professional fees	-	-
Property acquisition expenditures	-	3,928
Travel and entertainment	-	-
Income (loss) from operations	(4,312)	(24,323)
DEFICIT, BEGINNING OF YEAR	(10,263,644)	(10,217,994)
DEFICIT, END OF YEAR	(10,267,956)	(10,242,317)
LOSS PER SHARE	\$ (0.01)	\$ (0.01)

The accompanying notes form an integral part of these financial statements

BROADLANDS RESOURCES LTD.

STATEMENT OF CASH FLOWS

Unaudited

MARCH 31, 2003 AND 2002

	March 31, 2003	March 31, 2002
CASH PROVIDED BY OPERATING ACTIVITIES		
Net Income (loss) for the period	\$ (4,312)	\$ (24,324)
Net change in non-cash working capital items	5,931	26,507
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,619	2,184
Mining property expenditures	-	(5,000)
CASH USED IN INVESTING ACTIVITIES	-	(5,000)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,619	(2,817)
NET CASH AND CASH EQUIVALENTS, beginning of year	333	516
NET CASH AND CASH EQUIVALENTS, end of year	\$ 1,952	\$ (2,301)
Supplemental cash flow information (note)		

The accompanying notes form an integral part of these financial statements

BROADLANDS RESOURCES LTD.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2003 AND 2002

1. NATURE OF OPERATIONS AND GOING CONCERN

Broadlands Resources Ltd. (the Company) is a public Company formed April 6, 1995 by the amalgamation of Broadlands Resources Ltd. and Shorewood Explorations Ltd. under the laws of the Province of British Columbia. Its shares, which are widely held, are traded on the Canadian Venture Exchange ("CDNX"). The Company's business is to acquire, explore and develop interests in mining projects relating to precious metals. The Company considers itself to be an exploration stage company.

The Company has a deficit of \$126,178 in working capital as at March 31, 2003. The Company's ability to continue operation is dependent on its ability to secure additional financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Management is actively pursuing such additional financing.

These financial statements have been prepared on the going concern basis, which assumes the Company will continue operations and will be able to realize its assets and discharge its liabilities in the normal course of business. The financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company is unable to continue operations or does not receive continued financial support from its shareholders.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Cash and Cash Equivalents

Cash and cash equivalents include short-term money market instruments which have a maturity of three months or less from the date of inception.

(b) Capital Assets

Capital assets are stated at cost and amortized on the declining balance method at 30% per year, with one-half taken in the year of acquisition.

(c) Deferred Expenditures

Acquisition costs of resource properties, rights and options together with direct exploration and development expenditures thereon are deferred in the accounts on a property-by-property basis until the property is brought into production, sold or abandoned. The deferred expenditures will be amortized using the unit-of-production method based upon the estimated proven reserves or written off if the property is sold or abandoned.

On a periodic basis, management reviews the carrying values of deferred mineral property acquisition and exploration expenditures with a view to assessing whether there has been any impairment in value. In the event that management determines that there has been an impairment in value in any of the properties, the carrying value will be written down or written off, as appropriate.

(d) Share Option Plan

The Company has a share option plan as described in Note 5(d). No compensation expense is recognized for this plan when shares or share options are issued pursuant to the plan. Consideration paid for shares on exercise of the share options is credited to share capital.

BROADLANDS RESOURCES LTD.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2003 AND 2002

2. SIGNIFICANT ACCOUNTING POLICIES

(e) Loss Per Share

Loss per share computations are based on the weighted average number of common shares outstanding during the year. Fully diluted loss per share has not been presented since the exercise of options and warrants would be anti-dilutive.

(f) Use Of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results may differ from those estimates.

(g) Income Tax

During the year ended December 31, 2000 the Company adopted the new recommendations of The Canadian Institute of Chartered Accountants with respect to accounting for income taxes. Income taxes are calculated using the liability method of accounting. Temporary differences arising from the difference between the tax basis of an asset or liability and its carrying amount on the balance sheet are used to calculate future income tax liabilities or assets. These new standards also require that the future income tax asset and liabilities be measured using tax rates and laws that are expected to apply when the temporary difference are expected to reverse.

The Company has determined that there is no impact to the financial statements for the current year for this new recommendation.

3. RESOURCE PROPERTY

During 2000 the Company signed an Option Agreement to earn 50% interest in the Mann Platinum/Palladium Property from Tres-Or Resources Ltd. The property consist of 19 contiguous claim units covering approximately 304 hectares located in the Mann and Duff Townships, 47 kilometers northeast of Timmins, Ontario. The Option Agreement requires the Company to make cash payments totalling \$68,000 and issue 150,000 shares of common stock of the Company. As at December 31, 2002 the Company had made cash payments totalling \$44,540 and had issued 150,000 common shares.

At the end of the first quarter of 2002 Management decided that the test results did not warrant further expenditures on exploration. The Company is not required to make any further payments.

BROADLANDS RESOURCES LTD.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2003 AND 2002

4. SHAREHOLDERS' EQUITY

(a) Authorized
100,000,000 Common shares without par value

(b) <u>Issued</u>	<u>Number</u>	<u>Amount</u>
Issued at December 31, 1998	14,691,845	\$ 9,756,207
Share consolidation (note 5 (c))	(11,018,884)	-
Shares issued	2,012,500	415,112
Escrow shares returned to treasury (note 5(f))	(5,284)	(14,034)
Issued as at December 31, 2000	<u>5,680,177</u>	<u>10,157,285</u>
Shares issued as part of resource property acquisition (note 3)	150,000	-
Shares issued as settlement for accounts payable (note 10)	<u>100,000</u>	<u>-</u>
Issued as at March 31, 2003	<u>5,930,177</u>	<u>\$ 10,157,285</u>

(c) Share Consolidation

During the year ended December 31, 1999 by way of a special resolution at an extraordinary general meeting held on February 1, 1999 the shareholders approved a share consolidation of the Company's share capital on a one new share for four old shares basis. Subsequent to this special resolution being passed the Company had 3,672,961 common shares issued, without par value.

(d) Stock Options

During 1997 the Company established a share option plan (the "1997 Plan") whereby the board of directors may from time to time grant to directors, officers, employees or consultants stock options. The maximum number of shares subject to the plan, in the aggregate, may not exceed 20% of the Company's issued shares. The maximum term of any option will be ten years, but generally options are granted for five years or less. The exercise price of an option is not less than the greater of \$0.15 per share or the minimum price permitted under the policies of the Canadian Venture Exchange. Options vest over a two year period.

At the end of March 31, 2003 and 2002 there were no outstanding stock options.

(e) Warrants

At the end of the period March 31, 2003 and March 31, 2002 there were no outstanding warrants.

(f) Escrow Shares

The Company has 7,016 shares remaining in escrow at March 31, 2003.

5. COMMITMENTS

The Company has minimum lease commitments of \$12,000 in the year 2003.

BROADLANDS RESOURCES LTD.

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2003 AND 2002

6. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, accounts receivable, and accounts payable and accruals. It is management's opinion that the Company is not exposed to significant interest, foreign currency or credit risks arising from these financial instruments. The Company limits its exposure to credit loss by placing its cash and term deposits with high credit quality financial institutions. The fair value of these financial instruments approximate their carrying values.

7. SUBSEQUENT EVENTS

Subsequent to the end of the year, the Company:

- a) plans to issue 500,000 shares at \$0.123 to two directors of the Company to settle accounts payable totalling \$61,152.43.