

Consolidated Interim Financial Statements of

SKN RESOURCES LTD.

July 31, 2004 and 2003

(Unaudited – Prepared by Management)

Notice: These interim consolidated financial statements have not been reviewed or audited by the Company's independent auditor.

**SKN RESOURCES LTD.
CONSOLIDATED BALANCE SHEETS**

Stated in Canadian dollars	July 31, 2004	April 30, 2004
ASSETS	(Unaudited)	(Audited)
Current Assets		
Cash and cash equivalent	\$ 1,357,858	\$ 1,929,633
Short-term investments	5,000,000	5,000,000
Accounts receivable	162,818	128,671
Prepaid expenses	199,585	162,046
Amount due from a related company	15,384	71,208
Amount due from joint venture partners	301,244	66,240
	<u>7,036,889</u>	<u>7,357,798</u>
Property, Plant and Equipment (Note 4)	639,061	649,738
Investment in and Expenditures on Resource Properties		
Mineral properties (Note 3)	1,595,103	1,232,712
Reclamation deposits	10,000	10,000
	<u>\$ 9,281,053</u>	<u>\$ 9,250,248</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 123,858	\$ 182,604
Deposit received	26,584	27,414
	<u>150,442</u>	<u>210,018</u>
SHARE CAPITAL AND DEFICIT		
Share capital (Note 5(a))	24,559,423	24,124,435
Stock options (Note 5(b))	1,797,446	1,411,031
Warrants (Note 5(c))	431,347	431,347
Share subscriptions received	-	9,000
Deficit	(17,657,605)	(16,935,583)
	<u>9,130,611</u>	<u>9,040,230</u>
	<u>\$ 9,281,053</u>	<u>\$ 9,250,248</u>

Approved on behalf of the Board:

"Rui Feng"

Director

"Paul Simpson"

Director

(The accompanying notes are an integral part of these consolidated financial statements)

SKN RESOURCES LTD.
CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT
For the three months ended July 31, 2004 and 2003
(Unaudited)

Stated in Canadian dollars	2004	2003
Expenses		
Bank charges and interest	\$ 1,438	\$ 169
Consulting	44,697	30,873
Depreciation	9,741	2,380
Foreign exchange loss	34,545	30,314
General exploration expenses	37,553	42,933
Office and miscellaneous	72,976	58,743
Shareholder relations	8,364	31,415
Stock-based compensation expenses	56,993	72,829
Professional fees	24,600	25,071
Transfer agent and filing fees	4,158	3,389
	<u>295,065</u>	<u>298,116</u>
Operating loss	(295,065)	(298,116)
Other income and expenses		
Gain on disposal of furniture	-	147
Interest income	30,729	7,666
	<u>30,729</u>	<u>7,813</u>
Net loss for the period	(264,336)	(290,303)
Deficit, beginning of period as previously reported	(16,935,583)	(13,231,264)
Stock-based compensation expenses (Note 2)	(457,686)	-
Deficit, beginning of period, restated	<u>(17,393,269)</u>	<u>(13,231,264)</u>
Deficit, end of period	<u>\$ (17,657,605)</u>	<u>\$ (13,521,567)</u>
Basic and diluted loss per share	<u>\$ (0.01)</u>	<u>\$ (0.05)</u>
Weighted Average Number of Shares	<u>34,325,315</u>	<u>5,671,616</u>

(The accompanying notes are an integral part of these consolidated financial statements)

SKN RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three months ended July 31, 2004 and 2003
(Unaudited)

Stated in Canadian dollars	2004	2003
Cash provided by (used for)		
Operating activities		
Net loss for the period	\$ (264,336)	\$ (290,303)
Add (deduct) items not affecting cash :		
Gain on disposal of furniture	-	(147)
Stock-based compensation	56,993	72,829
Depreciation	13,601	2,380
	(193,742)	(215,241)
Net change in non-cash working capital		
Accounts receivable	(34,147)	(16,533)
Prepaid expenses	(37,539)	(3,138)
Accounts payable and accrued liabilities	(58,746)	9,895
Cash used in operating activities	(324,174)	(225,017)
Investing activities		
Resource property additions	(362,391)	(11,415)
Equipment and furniture additions	(3,755)	(16,373)
Purchase of short-term investment	-	(1,000,000)
Proceeds from disposal of furniture	-	1,471
Cash used in investing activities	(366,146)	(1,026,317)
Financing activities		
Repayment on advance to a related company	55,824	-
Advance to joint venture partners	(235,004)	-
Share subscriptions for cash, net of commission	297,725	-
Cash provided by financing activities	118,545	-
Decrease in cash	(571,775)	(1,251,334)
Cash and cash equivalents, beginning of period	1,929,633	2,433,575
Cash and cash equivalents, end of period	\$ 1,357,858	\$ 1,182,241
Supplemental information:		
Interest paid	\$ 28	\$ -
Income tax paid	\$ -	\$ -

(The accompanying notes are an integral part of these consolidated financial statements)

SKN RESOURCES LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
July 31, 2004
(Unaudited)
(Expressed in Canadian Dollars)

1. Basis of Presentation

The accompanying interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). However, they do not include all the information and disclosures required by Canadian GAAP for financial statements. They have been prepared on the same accounting policies and methods of applications as the latest annual consolidated financial statements. In the opinion of management, all adjustments of a normal recurring nature necessary for a fair presentation have been included. The results for interim periods are not necessarily indicative of results for the entire year. The information contained in the interim financial statements should be read in conjunction with the Company's latest annual consolidated financial statements and the notes thereto.

The unaudited consolidated financial statements include SKN Resources Ltd. ("the Company") and its subsidiaries, Yunnan Jin Chang Jiang Mining Co. Ltd., Fortune Mining Ltd., Fortune Copper Ltd., Fortress Gold Mining Inc., Fortress Mining Inc., Victor Resources Ltd., Lachlan Gold Ltd., Victor Gold Ltd., Victor Mining Ltd. and SKN Nickel & Platinum Ltd.. All significant inter-company transactions and accounts have been eliminated for the purpose of these financial statements.

2. Change of Accounting Policy

Effective May 1, 2004, the Company adopted the new requirements of the Canadian Institute of Chartered Accountants Standard 3870 which requires an expense to be recognized in the financial statements for all forms of employee stock-based compensation, including stock options. Previously, the Company did not record any compensation cost on the granting of stock options to employees and directors as the exercise price was equal to or greater than the market price at the date of the grants.

Accordingly, the opening deficit was restated on a retroactive basis to show the effect of compensation expense associated with stock option grants to employees and directors from January 1, 2002 to April 30, 2004, which amounted to \$457,686, and an increase of \$122,156 to share capital and \$335,530 to stock options.

SKN RESOURCES LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
July 31, 2004
(Unaudited)
(Expressed in Canadian Dollars)

3. Mineral Properties

	July 31, 2004	April 30, 2004
Tuoboka Property	\$ 1,427,776	\$ 1,101,069
Ying Property	101,252	65,568
Gou Gold Property	21,028	21,028
Kang Dian Property	45,047	45,047
	<u>\$ 1,595,103</u>	<u>\$ 1,232,712</u>

(a) Tuobuka Property

On August 1, 2003, the Company, through its wholly-owned subsidiary Lachlan Gold Ltd., signed a cooperative joint venture agreement with a Chinese party to form a Sino-Foreign Joint Venture Cooperative Company, Yunnan Jin-Chang-Jiang Mining Co. Ltd. ("YJCJM"), to explore the Tuobuka Gold property located in Yunnan Province, China. Under the terms of the cooperative joint venture agreement, the Chinese party held a 20% interest in YJCJM in consideration of transference of the Tuobuka project exploration permit to YJCJM, and the Company was to earn its 80% interest in YJCJM by contributing RMB8,000,000 (\$1,324,800) to YJCJM over three years and paying RMB1,000,000 (\$165,000) (paid) to the Chinese party. On January 13, 2004, the Company acquired the remaining 20% interest in YJCJM from the Chinese party by paying additional RMB1,600,000 (\$256,978) (paid). The Company now has a 100% interest in the Tuobuka Gold Project and no longer has any remaining commitments under the joint venture agreement.

As of July 31, 2004, the Company has invested \$2,447,102 in YJCJM.

SKN RESOURCES LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(Unaudited)
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3. Mineral Properties - Continued

(b) Ying Property

In May 2004, the Company, through its wholly owned subsidiary, Victor Mining Ltd., entered into a cooperative joint venture agreement with a Chinese party to acquire a 77.5% interest in the high grade Ying Silver-Gold Project located in Hennan Province, China. Under the cooperative agreement with the Chinese party, the Company holds the right to acquire 77.5% of the Ying Project by funding exploration and development of the Project in the amount of US\$3,670,000 (\$4,878,164) to the joint venture company, Hennan Found Mining Co. Ltd. ("HFMC"), over a period of three years for a 55% interest in HFMC and pay US\$1,500,000 (\$1,993,800) to the Chinese party over a period of three years for purchasing another 22.5% interest in HFMC. After the Company has earned its 77.5% interest, contributions to fund the exploration and development of the Project will be made pro rata. The interest of the Chinese party can be diluted to not less than 10% if it elects not to make cash contributions.

As of July 31, 2004, the Company has advanced \$283,819 to the Chinese party for the initial preparation work and the amount will be repaid upon the formation of HFMC.

(c) Gou Gold Property

On June 24, 2003, the Company, through its wholly owned subsidiary Victor Gold Ltd. ("Victor"), signed a co-operative letter agreement with a Chinese party. This was replaced by a Cooperative Joint Venture Contract on November 21, 2003, under which the parties have agreed to form a Sino-Foreign Cooperative Joint Venture Company, Gansu Jin Fu Mining Co. Ltd. ("Jin Fu") to hold the Gou Project permits located in Gansu Province, China. Victor can earn an 80% interest in Jin Fu by making capital contributions of US\$2,000,000 (\$2,658,400) to Jin Fu over three years and payment of US\$30,000 (\$39,876) to the Chinese party. After Victor has earned its 80% interest, contributions to Jin Fu will be made on a pro-rata basis. The Chinese party's interest can be diluted to not less than 10% if it elects not to make cash contributions.

On February 4, 2004, Windridge Technology Corp. ("Windridge"), signed an acquisition agreement with the Company whereby Windridge will acquire 100% of the Company's rights in the Gou Gold Project through the purchase of 100% of the issued and outstanding shares of Victor Gold Ltd.. Under the terms of the agreement, Windridge will issue 2,000,000 of its Treasury shares to the Company at a deemed price of \$0.25 per share and reimburse the Company the sum of US\$20,000 (\$26,584) (received) for expenses previously incurred in relation to its acquisition of the Gou Property.

SKN RESOURCES LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
July 31, 2004
(Unaudited)
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3. Mineral Properties - Continued

(d) Kang Dian property

In November 2003, the Company, through a wholly owned subsidiary SKN Nickel & Platinum Ltd. ("SNP"), has entered into two letter agreements with the respective holders of the permits and permit applications comprising the Kang Dian Project located in Sichuan Province, China, thereby obtaining the rights to acquire 75% and 90% interests, respectively, in the exploration permits by contributing US\$2,500,000 (\$3,323,000) to fund the exploration and development of the Project over a period of four years and paying US\$80,000 (\$106,336) to a Chinese party within 10 days after obtaining the approvals from China government. After SNP has earned its 75% and 90% interests, respectively, contributions to fund the exploration and development of the Project will be made pro rata. The interest of the Chinese property owners can be diluted to not less than 10% to 12%, respectively, if they elect not to make cash contributions.

The Company has signed a letter agreement with Nu-XMP Ventures Limited ("NUX"), whereby NUX has the option to acquire SNP and thereby the Kang Dian Project through the issuance of a total of 7,000,000 of its shares at a deemed price of \$0.375 per share. The Company will receive 6,500,000 of these Shares (the "SKN Shares"), while one of the Chinese property owners will receive 500,000 of the NUX Shares. The SKN Shares will be issued on the basis of 2,500,000 on issuance of a Bulletin by the TSX Venture Exchange accepting the transaction; a further 2,000,000 shares will be issued upon successful completion of the US\$374,000 (\$497,121) work program recommended under the Technical Report that has been completed on the Project; and 2,000,000 shares will be issued on completion of US\$1,000,000 (\$1,329,200) in funding obligations by SNP under the agreement with one of the permit holders. The SKN Shares will be subject to escrow for three years with quarterly releases. SKN Shares remaining in escrow are subject to cancellation in the event NUX determines not to continue contributing to the joint venture company to be created. The Company will have the right to place a representative on the NUX board of directors. The transactions referred to have received conditional regulatory approvals.

As of July 31, 2004, the Company has advanced \$17,425 to the Chinese party for the initial preparation work and the amount will be repaid upon the formation of the joint venture company.

SKN RESOURCES LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
July 31, 2004
(Unaudited)
(Expressed in Canadian Dollars)

4. Property, Plant and Equipment

	July 31, 2004			April 30,
	Cost	Accumulated Amortization	Net Book Value	2004 Net Book Value
Motor vehicle	\$ 77,956	\$ 9,197	\$ 68,759	\$ 72,487
Equipment & furniture	34,258	8,160	26,098	27,011
Computer equipment	85,787	25,583	60,204	65,901
Computer software	2,714	1,696	1,018	1,357
Mining equipment	482,982	-	482,982	482,982
	<u>\$ 683,697</u>	<u>\$ 44,636</u>	<u>\$ 639,061</u>	<u>\$ 649,738</u>

5. Share Capital, Options and Warrants

(a) Share Capital

Since April 30, 2004, the Company has issued the following share capital :

	Number of Shares	Amount
Balance, April 30, 2004	33,578,812	\$ 24,124,435
Exercise of warrants	2,640,100	297,975
Exercise of options	25,000	8,750
Transfer to share capital upon exercise of options	-	128,263
Balance, July 31, 2004	<u>36,243,912</u>	<u>\$ 24,559,423</u>

SKN RESOURCES LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
July 31, 2004
(Unaudited)
(Expressed in Canadian Dollars)

5. Share Capital, Options and Warrants - Continued

(b) Options

The following is a summary of option transactions during the three-month period ended July 31, 2004 :

	Number of options	Weighted- average exercise price
Balance, May 1, 2004	2,183,875	\$ 0.45
Options granted	<u>(25,000)</u>	0.35
Balance, April 30, 2004	<u>2,158,875</u>	0.46
Options exercisable at July 31, 2004	<u>1,989,500</u>	\$ 0.43

The following table summarizes information about stock options outstanding at July 31, 2004:

	Range of exercise prices	Number outstanding at January 31, 2004	Weighted- average remaining contractual life (years)	Weighted- average exercise price	Number exercisable at January 31, 2004	Weighted- average exercise price
\$	0.35	1,517,000	3.38	\$ 0.35	1,517,000	\$ 0.35
	0.70	626,250	3.47	0.70	466,250	0.70
	0.96	<u>15,625</u>	4.13	0.96	<u>6,250</u>	0.96
	\$0.35 - \$0.96	<u>2,158,875</u>	3.41	0.46	<u>1,989,500</u>	0.43

During the three months ended July 31, 2004, compensation expense of \$56,993 was recognized for options previously granted and vesting over time using the Black-Scholes option pricing model with the assumptions disclosed in the annual audited consolidated financial statements.

SKN RESOURCES LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
July 31, 2004
(Unaudited)
(Expressed in Canadian Dollars)

5. Share Capital, Options and Warrants - Continued

(c) Warrants

The following is a summary of warrant transactions during the three-month period ended July 31, 2004 :

	Number of warrants	Weighted- average exercise price
Balance, May 1, 2004	6,734,545	\$ 0.57
Warrants exercised	<u>(2,640,100)</u>	(0.11)
Balance, July 31, 2004	<u><u>4,094,445</u></u>	0.87

The warrants will expire from 2004 to 2005.

SKN RESOURCES LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(Unaudited)
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6. Related Party Transactions

During the three-month periods ended July 31, 2004 and 2003, the Company incurred the following transactions :-

	Three months ended	
	July 31,	
	2004	2003
Consulting fees by a company controlled by an officer and director	\$ 31,500	\$ 22,500
Consulting fees by a company controlled by a director	16,076	-
Legal fees by a law firm in which a director is a proprietor	9,540	13,725
Management fees by an officer and director	30,000	-
Office rental and accounting charges by a company controlled by an officer and director	-	4,375
	<u>\$ 87,116</u>	<u>\$ 40,600</u>

7. Segmented Information

(a) Industry Information

The Company operates in one reportable operating segment, being the acquisition, exploration and development of mineral properties.

SKN RESOURCES LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
July 31, 2004
(Unaudited)
(Expressed in Canadian Dollars)

7. Segmented Information - Continued

(b) Geographic Information

	China	Canada	Total
As of July 31, 2004			
Mineral properties	\$ 1,595,103	\$ -	\$ 1,595,103
Equipment and furniture	589,984	49,077	639,061
As of April 30, 2004			
Mineral properties	\$ 1,232,712	\$ -	\$ 1,232,712
Equipment and furniture	599,669	50,069	649,738

8. Subsequent Events

On September 27, 2004, the Company granted incentive stock options for 155,000 shares at a price of \$0.40 per share exercisable up to September 27, 2007 to employees and consultants. 25% of the options were vested on the date of grant and 12.5% of the options are vested every three months after the date of grant for eighteen months.

SKN RESOURCES LTD.**Schedule B : Supplementary Information**

July 31, 2004

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

1. Mineral Properties

Since April 30, 2004, the Company has incurred the following costs, exploration and development costs on mineral properties:-

Mineral Properties	Tuoboka	Gou	Kang Dian	Ying	Sub-total
<u>Costs</u>					
Balance, May 1, 2004	\$ 421,978	\$ -	\$ 33,120	\$ -	\$ 455,098
Additions	-	-	-	-	-
Return of capital	-	-	-	-	-
Cost written off	-	-	-	-	-
Balance, July 31, 2004	<u>\$ 421,978</u>	<u>\$ -</u>	<u>\$ 33,120</u>	<u>\$ -</u>	<u>\$ 455,098</u>
<u>Exploration and development costs</u>					
Balance, May 1, 2004	\$ 679,091	\$ 21,028	\$ 11,927	\$ 65,568	\$ 777,614
Drilling	201,902	-	-	-	201,902
Administration - legal	-	-	-	-	-
General and administrative	13,425	-	-	343	13,768
Project management	25,000	-	-	-	25,000
Consulting	21,996	-	-	23,597	45,593
Geology	4,911	-	-	6,424	11,335
Sampling and assaying	9,147	-	-	-	9,147
Salaries and benefits	37,221	-	-	-	37,221
Travel	13,105	-	-	5,320	18,425
Amount recovered / recoverable	-	-	-	-	-
Cost written off	-	-	-	-	-
Balance, July 31, 2004	<u>\$ 1,005,798</u>	<u>\$ 21,028</u>	<u>\$ 11,927</u>	<u>\$ 101,252</u>	<u>\$ 1,140,005</u>
Total cost, exploration and development costs	<u>\$ 1,427,776</u>	<u>\$ 21,028</u>	<u>\$ 45,047</u>	<u>\$ 101,252</u>	<u>\$ 1,595,103</u>

SKN RESOURCES LTD.
Schedule B : Supplementary Information
July 31, 2004
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

2. General Exploration Costs

For the three months ended July 31, 2004 and 2003, the Company has incurred the following general exploration costs:-

General Exploration Costs	Three months ended July 31,	
	2004	2003
Travel and promotion	\$ 31,156	\$ 41,313
General exploration	6,397	1,620
	<u>\$ 37,553</u>	<u>\$ 42,933</u>

3. Office and Miscellaneous Costs

For the three months ended July 31, 2004 and 2003, the Company has incurred the following office and miscellaneous costs:-

	Three months ended July 31,	
	2004	2003
General and administrative	\$ 9,592	\$ 9,563
Management fee	5,000	22,500
Wages and benefits	36,905	5,366
Rent	16,928	14,730
Miscellaneous	4,551	6,584
	<u>\$ 72,976</u>	<u>\$ 58,743</u>

4. Related Party Transactions

During the three months ended July 31, 2004 and 2003, the Company incurred costs on the following related party transactions :-

SKN RESOURCES LTD.
Schedule B : Supplementary Information
July 31, 2004
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Three months ended July 31,	
	2004	2003
Management fees by a company controlled by an officer and director for management services	\$ 30,000	\$ 22,500
Consulting fees by a company controlled by a director	16,076	-
Office rental and accounting charges by a company controlled by an officer and director	-	4,375
Legal fees and disbursements by a law firm in which a director is a proprietor on standard commercial terms	9,540	13,725
Consulting fees by a company controlled by an officer and director for project management services	31,500	-
	<u>\$ 87,116</u>	<u>\$ 40,600</u>

The first item above reflects management fees paid to the president, Myles Gao on the basis of \$10,000 per month pursuant to a consulting agreement dated, having a term of one year, renewable at the option of the Company.

The legal fees (\$9,540) and disbursements were charged by Paul Simpson, a director of the Company, for corporate legal services provided in accordance with standard commercial terms, in connection with financings, regulatory compliance and general corporate matters.

The project management services have been provided by the Chairman, Dr. Rui Feng, pursuant to a Consulting Agreement with the Company under which Dr. Feng charges \$750 per day of service to the Company. The Consulting Agreement has a one year term, renewable at the option of the Company.

5. Securities Issued

(a) Common Stock

For the quarter ended July 31, 2004, the following common shares were issued:

SKN RESOURCES LTD.
Schedule B : Supplementary Information
July 31, 2004
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

Date	Type of issue	Number	Price per share	Gross proceeds	Type of consideration	Commission paid
5/10/2004	Exercise warrants	100	\$ 2.25	\$ 225	Cash	Nil
5/21/2004	Exercise warrants	150,000	0.11	16,500	Cash	Nil
6/9/2004	Exercise warrants	15,000	0.60	9,000	Cash	Nil
6/23/2004	Exercise stock options	25,000	0.35	8,750	Cash	Nil
7/5/2004	Exercise warrants	225,000	0.11	24,750	Cash	Nil
7/8/2004	Exercise warrants	825,000	0.11	90,750	Cash	Nil
7/9/2004	Exercise warrants	825,000	0.11	90,750	Cash	Nil
7/16/2004	Exercise warrants	600,000	0.11	66,000	Cash	Nil
		<u>2,665,100</u>		<u>\$ 306,725</u>		

(b)

(b) Warrants

During the quarter ended July 31, 2004, there were no warrants issued.

(c) Options

During the quarter ended July 31, 2004, there were no options granted.

6. Securities Outstanding

As at July 31, 2004, the following securities were outstanding:

(a) Share Capital

Authorized

- 100,000,000 common shares without par value

Issued and outstanding

- 35,643,912 common shares with a recorded value of \$24,559,423

Shares subject to escrow or pooling agreements - Nil

(b) Warrants

The outstanding warrants as of July 31, 2004 are summarized as follows:

SKN RESOURCES LTD.**Schedule B : Supplementary Information**

July 31, 2004

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

<u>Number of Warrants</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
1,219,900	\$ 2.25	November 4, 2004
151,350	2.18	November 4, 2004
2,538,995	0.11	November 14, 2004
200,000	1.05	September 23, 2005
<u>4,110,245</u>		

(c) Options

The outstanding options as of July 31, 2004 are summarized as follows:

<u>Options outstanding</u>	<u>Exercise price</u>	<u>Expiry date</u>
153,750	\$ 0.70	July 14, 2006
1,517,000	0.35	December 15, 2007
472,500	0.70	July 14, 2008
15,625	0.96	September 14, 2008
<u>2,158,875</u>		

7. Directors and Officers

The directors and officers as at the date this report are as follows:

Rui Feng, Director, Chairman & Chief Executive Officer

Myles Gao, Director & President

Paul Simpson, Director & Secretary

Michael G. Armstrong, Director

Date of report : September 28, 2004