FORM BC 51 – 901F

QUARTERLY REPORT

Incorporated As part of:	____X____Schedule A ________Schedules B&C

ISSUER DETAILS:

NAME OF ISSUER	New Guinea Gold Corporation
ISSUER'S ADDRESS	429-470 Granville Street Vancouver, BC V6C 1V5
CONTACT PERSON FOR ISSUER	Judith O'Quinn
ISSUER TELEPHONE NUMBER	(604) 662-3598
ISSUER FAX NUMBER	(604) 669-6257
ISSUER E-MAIL ADDRESS	ngg@telus.net
ISSUER WEB SITE	newguineagold.ca
FOR THE NINE MONTHS ENDED	September 30, 2003
DATE OF REPORT	November 25, 2003

CERTIFICATE
THE SCHEDULE(S) REQUIRED TO COMPLETE THIS QUARTERLY REPORT ARE ATTACHED AND THE DISCLOSURE CONTAINED THEREIN HAS BEEN APPROVED BY THE BOARD OF DIRECTORS. A COPY OF THIS QUARTERLY REPORT WILL BE PROVIDED TO ANY SHAREHOLDER WHO REQUESTS IT. PLEASE NOTE THIS FORM IS INCORPORATED AS PART OF BOTH THE REQUIRED FILING OF SCHEDULE A AND SCHEDULES B&C.

NAME: "Robert D. McNeil"		03-11-25
NAME OF DIRECTOR	ROBER D. McNEIL	DATE SIGNED Y/MM/DD
NAME : "Judith O'Quinn"		03-11-25
NAME OF DIRECTOR	JUDITH O'QUINN	DATE SIGNED Y/MM/DD

(Signatures for this form should be entered in TYPED form)

David W. Raftery

<u>CHARTERED ACCOUNTANT</u>

Suite 209
470 Granville Street
Vancouver, BC
V6C 1V5
Tel: (604) 687-0387
e-mail:raftery@telus.net

Notice to Reader

I have compiled the consolidated balance sheet of New Guinea Gold Corporation as at September 30, 2003 statement of operations and deficit and the statement of changes in cash flow for the three months and nine months then ended from information provided by management. The balance sheet at December 31, 2002 was prepared by the auditors of the Company.

I have not audited, reviewed or otherwise attempted to verify the accuracy of completeness of such information. Accordingly, readers are cautioned that these statements may not be appropriate for their purposes.

“David Raftery”

CHARTERED ACCOUNTANT

Vancouver, British Columbia
November 25, 2003

New Guinea Gold Corporation
Consolidated Balance Sheets
As at September 30 and December 31
(Unaudited – See Notice to Reader)

	2003	2002
	$	$
Assets		
Current Assets		
Cash and short term deposits	**144,647**	61,891
Share subscription receivable	**1,149,010**	-
Accounts receivable	**378**	769
Deferred expense	**21,250**	-
Deposits and prepaids	**48,337**	-
	1,363,622	62,660
Capital assets (note 3)	**5,179**	2,281
Mineral properties (note 6)	**373,874**	81,837
	1,742,675	146,778
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	**11,396**	6,923
Due to related parties (note 7)	**288,231**	78,615
Advance payable	**18,867**	-
	318,494	85,5382
Loan from related company	**153,994**	152,293
Shareholders' Equity		
Share capital (note 5)	**11,715,636**	10,281,628
Deficit	**(10,445,449)**	(10,220,388)
	1,270,187	61,240
	1,742,675	146,778

Continuing operations (note 1)

Approved by the Board of Directors:

"Robert D. McNeil"　　　　"Judith O'Quinn"

See notes to the consolidated financial statements

New Guinea Gold Corporation
Consolidated Statements of Operations and Deficit
For the Three Months and Nine Months Ended
September 30 2003 and 2002
(Unaudited – See Notice to Reader)

	Three Months Ended September 30		Nine Months Ended September 30	
	$	$	**$**	$
	2003	2002	**2003**	2002
Revenue				
Interest income	**400**	85	**1,194**	172
Expenses				
Finance	**5,840**	-	**13,133**	-
Amortization	**825**	150	**1,825**	450
Office	**8,351**	3,661	**24,436**	16,100
Professional fees	**13,148**	10,607	**28,696**	12,651
Rent	**675**	431	**3,725**	1,451
Transfer agent & regulatory	**1,233**	4,749	**13,426**	8,741
Travel and accommodation	**-**	798	**-**	2,040
Wages and benefits **(note 7)**	**15,014**	14,388	**42,028**	76,203
Foreign exchange	**(22,312)**	-	**(13,722)**	-
	22,774	35,084	**113,497**	117,636
Net loss for the period	**(22,374)**	(34,699)	**(112,303)**	(117,464)
Write off of exploration	**(112,258)**	(2,575)	**(112,758)**	(2,575)
Deficit – beginning of period	**(10,310,317)**	(10,137,730)	**(10,220,388)**	(10,054,965)
Deficit – end of period	**(10,445,449)**	(10,175,004)	**(10,445,449)**	(10,175,004)
Loss per share (note 8)	**(0.00)**	(0.00)	**(0.00)**	(0.01)

See notes to the consolidated financial statements

New Guinea Gold Corporation
Consolidated Statements of Cash Flow
For the Three Months and Nine Months Ended
September 30, 2003 and 2002
(Unaudited – See Notice to Reader)

	Three Months Ended September 30		Nine Months Ended September 30	
	$ 2003	$ 2002	**$ 2003**	$ 2002
Cash Provided by (Used for):				
Operating Activities				
Net loss for the period	**(135,132)**	(34,699)	**(225,061)**	(117,464)
Items not affecting cash				
Amortization	**825**	150	**1,825**	450
(Gain) loss on sale of investment	**-**	**-**	**-**	(64)
	(134,307)	(34,549)	**(223,236)**	(117,078)
Changes in non-cash working capital				
Share subscription receivable	**(1,149,010)**	-	**(1,149,010)**	-
Accounts receivable	**41,476**	(664)	**392**	(636)
Deferred expense	**3,750**	-	**(21,250)**	-
Deposits and prepaid	**(48,337)**	-	**(48,337)**	-
Accounts payable	**4,231**	(3,820)	**23,338**	41,275
Due to parent company	**90,430**	-	**209,616**	47,624
Advance payable	**5,039**	-	**-**	-
	(1,186,127)	39,033)	**(1,208,487)**	(28,815)
Financing Activity				
Loan from related party	**1,701**	-	**153,994**	-
Issued shares	**1,149,010**	110,000	**1,374,010**	110,000
	1,150,711	110,000	**1,528,004**	110,000
Investing Activities				
Exploration	**(33,477)**	(2,575)	**(262,037)**	(2,575)
Proceeds on sale of investment	**-**	-	**-**	4,964
Capital asset additions	**-**	-	**(4,724)**	-
	(33,477)	(2,575)	**(266,761)**	2,389
Increase (Decease) in Cash	**(1,938)**	68,392	**82,756**	83,574
Cash - Beginning of Period	**146,585**	33,254	**61,891**	18,072
Cash – End of Period	**144,647**	101,646	**144,647**	101,646

See notes to the consolidated financial statements

1. NATURE OF OPERATIONS AND CONTINUANCE OF BUSINESS

The Company is incorporated in the Yukon Territory and its business activity is the exploration of mineral properties located in Papua, New Guinea. The Company has not yet determined if any of these properties contain economic mineral reserves and, accordingly, the amounts shown for deferred exploration costs represent costs incurred to date, less write-downs, and do not necessarily reflect present or future values. The recovery of these amounts is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration of the properties, and upon the commencement of future profitable production or, alternatively, upon the Company's ability to dispose of its interests on an advantageous basis.

The Company will continue to raise additional financing to cover administrative costs and to meet future resource expenditures. Although the Company has been successful in raising funds, there can be no assurance that additional funding will be available in future.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Financial Instruments

The Company's financial instruments consist of current assets and current liabilities. The fair values of the instruments approximate their carrying values due to their short-term nature. Financial risk is the risk arising from fluctuations in foreign currency exchange rates. The Company does not use any derivative or hedging instruments to reduce its exposure to fluctuations in foreign currency exchange rates.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of any contingent assets and liabilities as at the date of the financial statements as well as the reported amounts of revenues earned and expenses incurred during the period. Actual results could differ from those estimates.

c) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned (inactive) subsidiary, New Guinea Gold (PNG) Limited, incorporated in Papua, New Guinea.

d) Mineral Properties

The cost of resource properties and their related exploration costs are deferred until the properties are placed into production, sold or abandoned. These costs will be amortized over the estimated useful life of the properties following the commencement of production or written-off if the properties are sold, allowed to lapse, or abandoned.

Cost includes the cash consideration and the fair market value of shares issued on the acquisition of mineral properties. Properties acquired under option agreements or joint ventures, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. The proceeds from options granted are netted against the cost of the related property and any excess is applied to income.

The Company reviews capitalized costs on its resource properties on a periodic basis and will recognize an impairment in value based upon current exploration or production results, if any, and upon management's assessment of the future probability of profitable revenues from the property or from sale of the property. Management's assessment of the property's estimated current fair market value is also based upon a review of other property transactions that have occurred in the same geographic area as that of the property under review.

Administrative costs are expensed as incurred.

e) **Foreign Currency Translation**

The Company's transactions and balances involving foreign currencies are translated into Canadian dollars using average exchange rates for items included in the consolidated statements of operations and deficit, the rates at the balance sheet dates for monetary assets and liabilities, and historical rates for all other balance sheet items. Translation gains and losses are included in current operations.

f) **Capital Assets**

Capital assets are recorded at cost and are comprised of furniture and equipment which are amortized over their estimated useful lives on a declining balance basis at annual rates of 30%.

g) **Share Capital**

Common shares issued for non-monetary consideration are recorded at the fair market value based upon the trading price of the shares on the Canadian Venture Exchange on the date of the agreement to issue the shares.

Costs incurred to issue shares are deducted from share capital.

h) **Stock Option Plan**

The Company has a discretionary stock option plan for the granting of options to directors, officers, employees and advisors, however no compensation expense in connection with the plan is recognized in the accounts of the Company. Any consideration paid by the directors, officers, employees or advisors on the exercise of stock options or purchase of common shares is credited to capital stock.

i) **Comparative Figures**

Certain of the prior years' comparative figures have been reclassified in conformity with the current year's presentation.

j) **Income Taxes**

The Company accounts for and measures future tax assets and liabilities in accordance with the liability method. Under this method, future tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. When the future realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the potential future benefit is taken and no net asset is recognized. The Company has taken a valuation allowance for the full amount of the tax assets.

This retroactive change in accounting policy for future income taxes has no effect on the financial statements of either of the fiscal periods presented.

k) Long-term Investments

Long term investments are recorded at cost and are subject to adjustment to market only if there is a decline in value that is other than temporary, which is defined as a condition existing over two consecutive year ends.

3. CAPITAL ASSETS

	2003				2002		
	Cost $	Accumulated Amortization $	Net Book Value $		Cost $	Accumulated Amortization $	Net Book Value $
Furniture and Equipment	19,583	14,404	5,179		8,207	5,354	2,853

4. INVESTMENTS

Refer to notes 6, 7 and 10

5. **SHARE CAPITAL**

Authorized share capital consists of 100,000,000 common shares without par value.

a) Issued Share Capital

	Number of Shares	Value
Balance at December 31,2002	23,167,014	10,281,626
Issued for acquisition of Macmin (PNG) Ltd. April 1, 2003	2,250,000	225,000
Bonus issued for loan financing April 1, 2003	300,000	30,000
Issued for interest in Sehulea property	250,000	30,000
Short Form Offering, September 30, 2003	11,000,000	1,149,010
Financing fee shares	300,000	-
Financing commission, September 30, 2003	440,000	-
Balance at September 30, 2003	37,707,014	11,715,636

b) Warrants

At September 30, 2003 there were 862,745 share purchase warrants outstanding exercisable at $0.20 until October 23,2003.

At September 30, 2003 there were 13,640,000 half warrants outstanding exercisable at one whole warrant plus $0.12 for one year after date of issue.

c) Stock Options

At September 30, 2003, employee and director's stock options are outstanding to purchase 1,923,409 shares at $0.15 per share until June 5, 2004

* See Note 10

6. MINERAL PROPERTIES

Feni and Normanby Islands, Mt. Nakru, Sehulea, Sinivit, Crater Mtn., Simuku

At September 30, 2003 the Company held interest seven gold/gold copper properties in Papua New Guinea. The ownership is subject to a Share Purchase Agreement dated June 12, 2002 and subsequently approved by the shareholders at a Special Meeting held on January 31, 2003. In the Agreement the Company acquired 100% of the shares of Macmin (PNG) Limited , a wholly-owned subsidiary of Macmin Silver Ltd. ("Macmin Silver") which had the effect of transferring ownership of its properties to the Company.

7. RELATED PARTY TRANSACTIONS

The Company paid no director fees in the quarter. (A director was paid $5,000 for mining consulting work in 2002). Exploration Management Consultants Pty Ltd.("EMC"), in which a Director is a shareholder, provides management and professional services to the company on an "as needed" basis. There were no consulting fees paid in the quarter (2002-Nil)

The Corporate Secretary was paid $38,748 in salary during the nine month period (2002 $37,082).

The Macmin Silver Limited is the operator of the Company's projects. Macmin incurs exploration expenditures and charges them to the Company at cost plus a 10% management fee. Two of the Company's directors are also directors of Macmin. During 2003,Macmin charged the Company $Nil (2002 - $Nil) for its services as operator of these joint ventures. At September 30, 2003, the Company owed Macmin $288,131 for these services and for the reimbursement of exploration costs incurred on behalf of the Company. There is also a long-term loan of $153,994 payable to Macmin.

8. LOSS PER SHARE

Loss per share is calculated using the weighted average number of common shares outstanding during the year. Fully diluted loss per share is not disclosed since it is anti-dilutive to the loss per share calculation.

9. INCOME TAXES

As at September 30, 2003, the Company has accumulated non-capital losses of approximately $1,977,775 which are available to reduce future taxable income and which expire between 2004 and 2008. The Company has taken a full valuation allowance against its potential tax assets and no future benefit has been recognized in the accounts since at this time it cannot be considered likely that the losses will be utilized.

10. SUBSEQUENT EVENTS

The following has occurred in the period subsequent to September 30, 2003:

a) Macmin has exercised share purchase warrants associated with a non-brokered $110,000 private placement of 862,745 units at $0.1275 cents per unit. Each unit consisted of one share and one warrant. The warrants were exercised on October 16, 2003 at $0.20 which eliminated accounts payable owing to Macmin.

b) The Company announced on November 10, that it would be issuing incentive stock options to its officers, directors, employee and consultants. The options will be issued in accordance with the Company's Stock Option Plan that was approved by the shareholders on June 10, 2003. The options will be exercisable at a price of $0.49 for a five-year period to November 9, 2008.

c) In a News Release dated October 28, 2003, the Company announced it would commence a revised feasibility study on its Sinivit property in Papua New Guinea. The study is expected to be completed in March 2004. $165,000 has been allocated to update the feasibility study to determine if, in the present economic environment, it is feasible to develop an oxide gold mine at this site in 2004. Bulk samples have been collected and metallurgical column leach tests are underway at Macmin Silver's metallurgical laboratory in SE Queensland, Australia.

d) In a News Release dated October 29, 2003, the Company announced that a major program of soil geochemistry has extended the proven strike length of the Simuku copper/gold system in Papua New Guinea from 1.5kms to 4.5kms.

e) In a News Release dated November 14, 2003, the Company announced a $1,400,000 brokered private placement with Canaccord Capital Corporation. The terms of the placement include the issuance of up to 3,500,000 units of the Company at $0.40 each. Each unit will consist of a share and _ non-transferable warrant. Each whole warrant will be exercisable into an additional share for a period of one year from closing at an exercise price of $0.45.

f) In a News Release dated November 17, 2003, the Company announced that it had signed a Letter of Intent to jointly purchase all the shares of a private Papua New Guinea company, Kanon Resources Ltd. on a 50-50% basis with Vangold Resources Ltd. subject to a Share Purchase Agreement among the parties. The Company will have the right to acquire the majority (60%) interest in the Mt. Penck Property with Vangold having the right to acquire a majority (60%) interest in any one of the other four projects. The remaining projects will be owned equally and are viewed as possible joint venture projects with third party entities.

g) At various dates during October and November, Company incentive stock options were exercised. These options were issued in 1999 and were exercisable at $0.15 the proceeds of which amounted to $95,250.

h) At various dates during October and November, share purchase warrants were exercised. The warrants are associated with the Short From Offering by Canaccord Capital, originally announced in August 2003. The warrants are exercisable for one whole warrant and $0.12. Proceeds from the exercise of warrants to date amount to $250,930.

FORM 51 – 901F

QUARTERLY REPORT

Incorporated As part of: ________Schedule A
_____X_Schedules B&C

ISSUER DETAILS:

NAME OF ISSUER	New Guinea Gold Corporation
ISSUER'S ADDRESS	#429 – 470 Granville Street
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NAME "Robert D. McNeil"		2003/11/25
NAME OF DIRECTOR	SIGNED TYPED	DATE SIGNED
NAME "Judith O'Quinn"		2003/11/25
NAME OF DIRECTOR	SIGNED TYPED	DATE SIGNED

(Signatures for this form should be entered in TYPED)

1. **Schedule B:**

Mineral Properties

	Normanby	Feni	Sinivit	Sheulea	Total
Balance at December 31	$48,767	$20,366	$ 2,595		$71,748
Acquisition			194,297	$30,000	224,297
Assays	46		5,337		5,383
Accommodation	439		592		1,031
Consulting fees	1,345		1,347		2,692
Field equipment			176		176
Field wages	146		11,568		11,714
Field general	835		20,463		21,298
Rentals	-	-	-	-	-
Tenement costs	4,720	3,953	8,915		17,588
Communications	28	-	-	-	28
Office Costs	890		19,053		1,903
Travel	2,469	-	870	-	3,339
Balance at September 30	$62,436	$24,319	$266,048	$30,000	$ 373,874

2. **Related Party Transactions**

The company paid no fees to directors or related parties during the reporting period. The Corporate Secretary is the sole employee of the Company and was paid $11,250 in the reporting quarter ($348,748 for the nine months to September 30).

3. **Summary of Securities Issued**

(a) There are 100,000,000 authorized shares. In the period ending September 30, there were 250,000 common shares issued to Hunter Mining and Exploration (PNG) in consideration for the acquisition of the remaining approximately 30% of the Sheulea project in Papua New Guinea. There were 11,740,000 shares issued relating to a Short Form offering on September 30, 2003.

(b) There were no options granted during the period.

Existing Options – Directors/Officers/Employees/Contractors:

Number	Exercise Price	Date Granted	Expiry Date
1,823,409	$0.15	June 04, 1999	June 5, 2004

4. Securities at End of Period

a.	Authorized Capital	100,000,000
b.	**I**ssued & Outstanding See Paragraph 3 (a) and (b)	No. of Shares 37,707,014 Value: $11,715,636

c. There are no shares in escrow.

d. There are 862,745 warrants outstanding at an exercise price of $0.20 until October 23, 2003.

5. List of Directors: **List of Officers:**

List of Directors	List of Officers
Robert A. McNeil	Robert A. McNeil, Chairman, President, CEO
Peter A. McNeil	Judith O'Quinn, Corporate Secretary, CFO
Alan F. Matthews	
Judith O’Quinn	

Schedule C
Management Discussion
For the Nine Months Ended September 30, 2003

Description of Business New Guinea Gold Corporation (the "Company") is a developmental-stage company engaged in the development of gold mines in Papua New Guinea ("PNG").

Discussion of Operations During the quarter the Company successfully completed a $1.21 million dollar financing. This financing will allow the Company to implement its operating plan. This plan which is described in a press released dated October 2, 2003) and also available on the Company's web site at **www.newguineagold.ca** which forecasts the development of gold production at the rate of 40,000 ozs/annum commencing at the end of 2004.

The Company has total resources of 850,000 ozs of gold and 1,058,000 ozs of silver, including 52,300 ozs of gold in a Probable Reserve Category. The Sinivit Gold Project was the subject of an independent feasibility study in 1995 which recommended development. However, with declining gold prices and a difficult economic environment for metals, the project was deferred in 1996. Some preliminary project development was completed. A revision of the feasibility study has commenced and should be completed in March/April 2004. At this point in time it is estimated that the capital cost to complete project development to gold production is a further $4 million. Subject to a favourable feasibility revision and the raising of the above capital, gold production could commence as early as December 2004.

Feasibility studies have also commenced on the Imwauna Project within the Normanby property. An Inferred Resource was calculated for the Weioko Project within the Sehulea property. This inferred resource is 1.7 million tones at 1.36 g/t gold and 12.4 g/t for contained ozs silver of 75,000 and 676,000 ozs respectively. This equates to a gold equivalent grade of 1.54 g/t gold, containing gold equivalent of 84,000 ozs (assuming 70 ozs silver equals one oz of gold). Feasibility studies including further drilling will commence on the project later in 2004.

During the quarter the Company also acquired an additional 30% (approximately) equity in the Sehulea property (includes Weioko Project) to take its equity to 100%. Subsequent to the end of the quarter the results from a major program of soil geochemistry extended the proven strike length of the Simuku porphyry copper/gold system in West New Britain Province from 1.5 to 4.5 kilometres. This system is still open to the north and south.

Since the mid 1980's, 12 drill holes totaling 1482m, and 4.5kms of bulldozer trenching, defined significant copper mineralisation over a strike length of 1.5 kms. Drill hole and trenching results are shown in a release dated October 29, 2003.

The porphyry copper system is also defined by airborne magnetic and potassium radiometric surveys. Mineralisation is known to persist to depths of at least 250m and a significant copper (chalcocite), enriched cap is present.

The geochemical soil sampling, to the south of the most southern drill hole, confirmed that the copper system extends at least 3 kms further south and is still open. Approximately 1170 soil samples were collected and defined an anomalous zone 3km long by between 500 and 1800m wide. This anomalous zone had a maximum copper content in soil of 0.869% and is delineated by the 300ppm copper contour. The presence of jarosite and hematite at surface suggests extensive leaching of copper from near surface rocks. This is also confirmed by the previous drill holes to the north.

The company believes, that given the size of the copper system, it should contain a core of higher grade copper mineralisation (plus 1% copper) With increasing interest worldwide in copper, the company plans to follow up the above results in the new year with bulldozer trenching and drilling.

The property is readily accessible by road and is near to infrastructure at Kimbe, the provincial capital of West New Britain Province.

The company's joint venture partners for the Feni Project, Vangold Resources Inc., completed recent financings and field work commenced on the project in early November 2003. Drilling is expected to commence in early 2004. For details of this program see a press release by Vangold Resources dated October 16, 2003. The Company appointed Dr. David Lindley as Manager, PNG. Dr. Lindley has in excess of 20 years PNG experience and was the original discoverer of the Sinivit gold system while working for Exxon Minerals in the mid 1980s

Financial Condtion/Liquidity & Capital

At September 30, the Company had cash of $145,000. On October 1, net proceeds of $1,149,010 were received from the Short Form Offering. $172,550 was received through the exercise of warrants by the parent Company, Macmin Silver and applied against the inter-company debt. This strongly improved the Company's working capital position.

During the first nine months of 2003, the Company prudently conserved its cash and limited its exploration expenditures. As can be noted from our recent News Releases, the Company is now in a strong financial position to proceed with its strategically targeted exploration programs on the most favourable properties. In October, in a strong gold market, the Company commenced a further financing by way of a Brokered Private Placement to raise an additional $1,400,000. Proceeds will be used for working capital and to accelerate exploration and expedite drilling on the Normanby, Sehulea and Simuku properties. The Company may also acquire additional highly prospective mineral properties if the opportunity arises.

Risk There are significant risks that might affect further development of the Company. Although the Company, through its subsidiary, Macmin PNG Limited, has demonstrated that it has the ability to obtain exploration licences, mining and associated leases and environmental permits, there is a risk that future PNG governments policy could adversely affect the Company's operations or, if there is a significant decrease in gold price some or all of the projects may not be economically viable. The Company also needs to raise additional funds in 2004 for mine capital development.

Subsequent Events

a) In a News Release dated October 28, 2003, the Company announced it would commence a revised feasibility study on its Sinivit property in Papua New Guinea. The study is expected to be completed in March 2004. $165,000 has been allocated to update the feasibility study to determine if, in the present economic environment, it is feasible to develop an oxide gold mine at this site in 2004. Bulk samples have been collected and metallurgical column leach tests are underway at Macmin Silver's metallurgical laboratory in SE Queensland, Australia.

b) In a News Release dated October 29, 2003, the Company announced that a major program of soil geochemistry has extended the proven strike length of the Simuku copper/gold system in Papua New Guinea from 1.5kms to 4.5kms.

c) In a News Release dated November 17, 2003, the Company announced that it had signed a Letter of Intent to jointly purchase all the shares of a private Papua New Guinea company, Kanon Resources Ltd. on a 50-50% basis with Vangold Resources Ltd. subject to a Share Purchase Agreement among the parties. The Company will have the right to acquire the majority (60%) interest in the Mt. Penck Property with Vangold having the right to acquire a majority (60%) interest in any one of the other four projects. The remaining projects will be owned equally and are viewed as possible joint venture projects with third party entities.

Outlook

In the coming year, the Company will focus on the feasibility, permitting, construction and development of one or more of the Company's gold resources at the Sinivit, Imwauna and Weioko Projects.

The Company has plans to expand its exploration at its copper/gold projects at Simuku and Mt. Nakru in anticipation of further increases in the copper price in the next year.

The Company may also seek joint-venture partners for certain non-core projects and may acquire additional projects of high prospectivity if the opportunity arises.