

***Geoscience BC
Interim Financial Statements
For the period from inception on April 26, 2005 to June 30, 2005
(Unaudited - internally-prepared)***

(Private and Confidential - for use of Geoscience BC only)

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Geoscience BC
Interim Balance Sheet
As at June 30, 2005
(Unaudited - internally-prepared)

Exhibit 'A'

Assets	\$
<i>Current assets:</i>	
Cash and cash equivalents	24,376,984
Accrued interest receivable	154,652
GST rebate receivable	<u>1,173</u>
	<u>24,532,809</u>
Equipment, at cost (balance is unamortized)	4,152
	<u><u>24,536,961</u></u>
Liabilities	
<i>Current liabilities:</i>	
Accounts payable & accrued liabilities (note 2)	<u>58,035</u>
Members' Equity	
Funding commitments - restricted (Note 3)	860,015
General fund (Exhibit 'B')	<u>23,618,911</u>
	<u>24,478,926</u>
	<u><u>24,536,961</u></u>
Basis of presentation (Note 1)	
Subsequent events (Note 4)	

Refer also to accompanying notes - Exhibit 'C'

Geoscience BC
Interim Operations Statement
For the period from inception on April 26, 2005 to June 30, 2005
(Unaudited - internally-prepared)

Exhibit 'B'

	<u>Actuals</u>		<u>Budgeted overhead - provisional to 12/31/05</u>
	\$	\$	\$
Unrestricted contribution - Government of B.C.		25,000,000	
Other income - interest		159,577	
		<u>25,159,577</u>	
 <i>Expenditures:</i>			
<u>Program:</u>			
Project 2005 - 003		20,000	
Project 2005 - 008		56,250	
Project 2005 - 009		64,875	
Project 2005 - 014		232,500	
Project 2005 - 032		154,625	
Project 2005 - 038		<u>63,285</u>	
			(591,535)
 <u>Administration:</u>			
Permanent CEO search		-	70,000
BCYCM - fee per services agreement	47,323		131,000
Consulting - interim ED	16,500		84,500
Consulting - other	12,550		40,000
Office/miscellaneous	1,880		5,500
Travel	5,123		40,000
Legal and financial	-		15,000
Website, internet and email	4,567		15,000
Non-refundable GST	<u>1,173</u>		-
			(89,116)
Total budgeted overhead to December 31, 2005			<u><u>401,000</u></u>
Excess of contributions and revenue over expenditures to date:		<u>24,478,926</u>	
Unexpended funding awarded - transferred to restricted fund (Note 3)		(860,015)	(to Exhibit 'A')
Balance, General Fund, at inception		-	
Balance, General Fund, at June 30, 2005 (unrestricted)		<u><u>23,618,911</u></u>	(to Exhibit 'A')

Refer also to accompanying notes - Exhibit 'C'

Geoscience BC
Notes to Interim Financial Statements
For the period from inception on April 26, 2005 to June 30, 2005
(Unaudited - internally-prepared)

Exhibit 'C'

1. Basis of presentation

These financial statement have been internally-prepared by a Director of Geoscience BC and have not been audited or reviewed by an independent public accountant.

These statements are designed for the internal use of Geoscience BC members only and are not necessarily presented in a manner consistent with generally accepted accounting principles.

2. Accounts payable and accrued liabilities

Breakdown of balance at June 30, 2005:

	\$
Rob Stevens - interim E.D. contract (June)	10,000
BC & Yukon Chamber of Mines (fee at 8% of grants disbursed)	47,323
Other A/P	712
	<u>58,035</u>

3. Funding Commitments

Geoscience BC had approved the following undisbursed funding at June 30, 2005:

	\$
Project 2005 - 003	20,000
Project 2005 - 008	18,750
Project 2005 - 009	21,625
Project 2005 - 014	77,500
Project 2005 - 016	251,400
Project 2005 - 027	95,920
Project 2005 - 028	2,500
Project 2005 - 030	45,000
Project 2005 - 032	154,625
Project 2005 - 036	151,600
Project 2005 - 038	21,095
	<u>860,015</u>

These funds remain on hand at June 30, 2005 but are now considered to be internally-restricted from the perspective of Geoscience BC.

4. Subsequent events

Subsequent to June 30, 2005, Geoscience BC approved additional program spending aggregating \$839,719 in connection with regional geophysical surveys.

Between July 1 and August 29, 2005, Geoscience BC disbursed an aggregate of \$890,469 in program spending.