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Unaudited Interim Consolidated Financial Statements of

BOXXER GOLD CORP.

Nine months ended September 30, 2003

BOXXER GOLD CORP.

Unaudited Interim Consolidated Balance Sheets

	September 30, 2003	December 31, 2002
Assets		
Current assets:		
Cash	\$ 510,724	\$ -
Accounts receivable	12,655	4,718
Prepaid expenditures	455	-
	<u>523,834</u>	<u>4,718</u>
Furniture and Equipment	2,122	-
Mineral properties (note 3)	248,540	210,501
	<u>\$ 774,496</u>	<u>\$ 215,219</u>

Liabilities and Shareholders' Equity

Current liabilities:		
Accounts payable and accrued liabilities (note 7)	\$ 138,303	\$ 58,965
Due to shareholder (note 4)	3,000	20,000
	<u>141,303</u>	<u>78,965</u>
Shareholders' equity:		
Share capital (note 5)	734,860	177,200
Deficit	(101,667)	(40,946)
	<u>633,193</u>	<u>136,254</u>
Future operations (note 1)		
Commitments (note 6)		
	<u>\$ 774,496</u>	<u>\$ 215,219</u>

See accompanying notes to unaudited interim consolidated financial statements.

On behalf of the Board:

"Colin Christensen" Director

"William T. Kilbourne" Director

BOXXER GOLD CORP.

Unaudited Interim Consolidated Statements of Operations and Deficit

	Three months ended September 30,		Nine months ended September 30,	
	2003	2002	2003	2002
Expenses:				
Management fees	\$ 15,000	\$ -	\$ 33,000	\$ -
General and administrative	10,404	395	27,721	1,371
	<u>25,404</u>	<u>395</u>	<u>60,721</u>	<u>1,371</u>
Net loss for the period	25,404	395	60,721	1,371
Deficit, beginning of period	76,263	18,512	40,946	17,536
Deficit, end of period	<u>\$ 101,667</u>	<u>\$ 18,907</u>	<u>\$ 101,667</u>	<u>\$ 18,907</u>
Loss per share - basic and diluted (note 5(d))	\$ -	\$ -	\$ (0.01)	\$ -

See accompanying notes to unaudited interim consolidated financial statements.

BOXXER GOLD CORP.

Unaudited Interim Consolidated Statements of Operations and Deficit

	Three months ended September 30,		Nine months ended September 30,	
	2003	2002	2003	2002
Cash provided by (used in):				
Operations:				
Net loss for the period	\$ (25,404)	\$ (395)	\$ (60,721)	\$ (1,371)
Change in non-cash working capital	98,749	(24)	75,400	(24,557)
	73,345	(419)	14,679	(25,928)
Financing:				
Issue of share capital for cash	452,660	25,000	557,660	60,000
Due to shareholder	(12,000)	—	(17,000)	20,000
	440,660	25,000	540,660	80,000
Investment:				
Mineral properties	(24,054)	(13,677)	(38,039)	(42,012)
Furniture and equipment	(2,122)	—	(2,122)	—
Change in non-cash working capital	6,978	—	(4,454)	—
	(19,198)	(13,677)	(44,615)	(42,012)
Change in cash	494,807	10,904	510,724	12,060
Cash, beginning of period	15,917	1,612	—	456
Cash, end of period	\$ 510,724	\$ 12,516	\$ 510,724	\$ 12,516

See accompanying notes to unaudited interim consolidated financial statements.

BOXXER GOLD CORP.

Notes to Unaudited Interim Consolidated Financial Statements

As at September 30, 2003 and for the nine months periods ended September 30, 2003 and 2002

Boxxer Gold Corp. (the "Company") is engaged, on an international basis, in the exploration and development of gold mining properties.

1. Future operations:

These consolidated financial statements have been prepared by management on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations.

At September 30, 2003, the Company had working capital of \$382,531 (December 31, 2002 - \$74,247 deficiency) and had incurred a net loss of \$60,721 and had an accumulated deficit of \$101,667. The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations. The ability of the Company to generate future profitable operations is primarily dependent upon achieving successful exploration and profitable development of its mineral properties.

Management believes the going concern assumption to be appropriate for these financial statements. If the going concern assumption were not appropriate for these financial statements, adjustments might be necessary to the carrying value of assets and liabilities, reported expenses and the balance sheet classifications used.

2. Significant accounting policies:

These interim consolidated financial statements have been prepared following the same accounting policies and methods of computation as the consolidated financial statements of the Company for the year ended December 31, 2002. These interim consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto for the year ended December 31, 2002. These interim consolidated financial statements are stated in Canadian dollars and have been prepared by management in accordance with generally accepted accounting principles in Canada.

(a) Basis of preparation:

These consolidated financial statements include the accounts of the Company and its wholly owned U.S. subsidiary.

BOXXER GOLD CORP.

Notes to Unaudited Interim Consolidated Financial Statements

As at September 30, 2003 and for the nine months periods ended September 30, 2003 and 2002

2. Significant accounting policies (continued):

(b) Use of estimates:

The preparation of the Company's consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements and accompanying notes. Management's estimates are made in accordance with mining industry practice. Significant areas requiring the use of management estimates relate to the determination of mineral reserves, reclamation and environmental obligations, impairment of assets and useful lives used to compute depreciation, depletion and amortization. Actual results could differ from those estimates.

(c) Mineral interests:

Mineral properties are recorded at cost and will be depleted on the unit-of-production method over the estimated economic life of the mine to which they relate. Development costs incurred to expand existing capacity, develop new ore bodies and develop property substantially in advance of production are capitalized.

Exploration expenditures are charged to earnings in the period incurred except where these costs relate to specific properties in which case they are deferred. Significant property payments for active exploration properties are capitalized. If no mineable ore body is discovered, previously capitalized costs are expensed.

Mineral property costs are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. If estimated future net cash flows expected to result from the use of properties and their eventual disposition are less than the carrying amount, then these properties are written down to their estimated recoverable amount.

(d) Foreign currency translation:

Transactions of the Company that are denominated in foreign currencies are recorded in Canadian dollars at exchange rates in effect at the related transaction dates. Monetary assets and liabilities denominated in foreign currencies are adjusted to reflect exchange rates at the balance sheet date. Exchange gains and losses arising on the translation of monetary assets and liabilities are included in earnings.

(e) Office furniture and equipment

Office furniture and equipment are recorded at cost and are depreciated on a declining balance basis over the estimated useful lives of the assets.

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Notes to Unaudited Interim Consolidated Financial Statements

As at September 30, 2003 and for the nine months periods ended September 30, 2003 and 2002

2. Significant accounting policies (continued):

(f) Stock-based compensation plan

The Company adopted the recommendations of the Canadian Institute of Chartered Accountant Handbook, Section 3870, Stock-based compensation and other stock-based payments. The new recommendations are applied prospectively to all stock based payments to non-employees and to employee awards that direct awards of stock, call for settlement in cash or other assets, or are stock appreciation rights that call for settlement by the issuance of equity instruments, granted on or after January 1, 2002.

The recommendations encourage, but do not require, the use of the fair value method of accounting for all stock-based employee compensation plans. The Company has chosen not to use the fair value method to account for stock-based employee compensation plans and therefore, the Company records no compensation expense when options are issued to employees. Any consideration paid by employees on the exercise of options is credited to share capital. The Company discloses the pro-forma effect of accounting for these awards under the fair value method (see note 5(d)).

(g) Per share amounts

Diluted per share amounts are calculated using the treasury stock method. Diluted calculations reflect the weighted average incremental common shares that would be issued upon exercise of dilutive options and warrants assuming proceeds would be used to repurchase shares at average market prices for the period. Anti-dilutive options and warrants are not included in the calculation.

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Notes to Unaudited Interim Consolidated Financial Statements

As at September 30, 2003 and for the nine months periods ended September 30, 2003 and 2002

3. Mineral properties:

	Balance at December 31, 2002	Additions	Balance at September 30, 2003
Exploration expenditures	\$ 210,501	\$ 38,039	\$ 248,540

	Balance at December 31, 2001	Additions	Balance at December 31, 2002
Exploration expenditures	\$ 128,793	\$ 81,708	\$ 210,501

The Company is currently engaged in the exploration for and the development of mineral properties in southern Nevada. The Company has no mineral resources or reserves on its properties. The Boss property in southern Nevada consists of a continuous land block that includes 9 patented (Boss and Oro Amigo patents) and 49 unpatented mining lode claims located in Township 24 South, Range 57 East (Mount Diablo Meridian), parts of Sections 23,26,27 and 34, Goodsprings mining district, Clark Country, Nevada. The current land position covers an area of approximately 992 acres.

4. Due to shareholder:

The amount due to shareholder is non-interest bearing, unsecured and has no specified repayment terms.

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Notes to Unaudited Interim Consolidated Financial Statements

As at September 30, 2003 and for the nine months periods ended September 30, 2003 and 2002

5. Share capital:

(a) Authorized:

Unlimited number of Class A common shares

(b) Issued:

Changes in issued common shares of the Company are as follows:

	Number of shares	Amount
Balance, December 31, 2001	5,088,000	\$ 117,200
Issued for cash	600,000	60,000
Balance, December 31, 2002	5,688,000	177,200
Issued for cash, private placement	1,050,000	105,000
Issued for cash, net of share issuance costs of \$207,340	5,500,000	452,660
Balance, September 30, 2003	12,238,000	\$ 734,860

On September 29, 2003 the Company completed an offering of 5,500,000 units at a price of \$0.12 per unit for aggregate gross proceeds of \$660,000. Each unit consists of one common share and a one-half of one common share purchase warrant. One whole warrant will entitle the holder to acquire one common share at an exercise price of \$0.15 until March 29, 2004, and at an exercise price of \$0.25 until September 29, 2004. The agent was also granted an option to purchase 550,000 units at an exercise price of \$0.12 per unit until March 29, 2005.

As at September 30, 2003 there were 3,025,000 warrants outstanding.

(c) Share options:

Under the Company's stock option plan, the Company may grant options to employees, consultants, officers and directors equal to 10% of the issued and outstanding common shares. In addition, the aggregate number of shares so reserved for issuance to any one person shall not exceed 5% of the issued and outstanding shares.

On September 29, 2003, the Company granted 900,000 stock options at \$0.12 per share to the officers and directors of the Corporation. The options granted vest upon granting and are non-transferable and expire on September 29, 2008.

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Notes to Unaudited Interim Consolidated Financial Statements

As at September 30, 2003 and for the nine months periods ended September 30, 2003 and 2002

5. Share capital (continued):

(d) Stock-based compensation

No compensation expense is recognized when employee stock options are granted. In accordance with the Company's incentive stock option plan, these options have an exercise price equal to or greater than the market price at the date of grant. During the nine months ended September 30, 2003, 900,000 stock options were issued at an option price of \$0.12. The Company has used the Black-Scholes option price model with the following assumptions: risk-free interest rate of 4.0%, expected life of 5 years and expected volatility of 40 %.

Had compensation expense been determined based upon the fair value of options granted since January 1, 2002 the Company's net loss and loss per share for the three and nine months ended September 30, 2003 would have been adjusted to the pro forma amounts indicated below:

Three months ended September 30	2003	2002
Net loss for the three month period – as reported	\$ 25,404	\$ 395
Net loss for the three month period – pro forma	\$ 69,914	\$ 395
Loss per share (Basic and diluted) - as reported	\$ -	\$ -
Loss per share (Basic and diluted) – pro forma	\$ (0.01)	\$ -
Nine months ended September 30	2003	2002
Net loss for the three month period – as reported	\$ 60,721	\$ 1,371
Net loss for the three month period – pro forma	\$105,231	\$ 1,371
Loss per share (Basic and diluted) - as reported	\$ (0.01)	\$ -
Loss per share (Basic and diluted) – pro forma	\$ (0.02)	\$ -

(e) Per share amounts

In computing diluted earnings per share, 32,784 shares (2002 – Nil) were added to the 6,331,223 (2002 - 3,838,637) weighted average number of common shares outstanding during the nine month period and 97,283 shares (2002 – Nil) were added to the 6,751,431 (2002 – 5,438,000) weighted average number of common shares outstanding during the three month period for the dilutive effect of stock options and warrants. No adjustments were required to earnings in computing diluted per share amounts.

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6. Commitments:

The Company, through its wholly owned U.S. subsidiary, 3 Amigos Exploration Inc., leases the Oro Amigo patented claims in Nevada under a long-term operating lease to explore and produce minerals from the Oro Amigo patented claims. The extendible lease expires August 12, 2017. Under the terms of the lease, the Company must make monthly advance royalty payments of US\$500 (Cdn\$770) for the first three years. In the fourth year of the lease the monthly payment increases to US\$5,000 (Cdn\$7,700) and is maintained at this rate for the balance of the term of the lease, unless production of minerals commences. Should production of minerals commence from the Oro Amigo patented mineral claims, the monthly advance royalty payment is converted to either a 5% royalty on production, or a payment of US\$5,000 per month, whichever is greater.

On January 2, 2003, the Company, through its wholly owned U.S. subsidiary, 3 Amigo's Exploration Inc., signed a long-term extendible operating lease with one of the 50% owners on the Boss patented claims in Nevada, to be used for gold exploration and development. The lease expires January 2, 2018, the monthly advance royalty payments for which are U.S.\$750 (CDN \$1,155) for the first year, U.S.\$1,000 (CDN \$1,540) the second year, and U.S.\$1,500 (CDN \$2,310) for the third year, until expiry of the lease. On commencement of production of minerals, if any, from the Boss patented claims, the monthly royalty payment can be converted to a 1.5% net smelter royalty. The Company has the right to recover all previous royalty payments from the production royalty. Under the terms of this lease agreement this 50% owner has the right to convert the monthly royalty payments to a 20% Working Interest at any time before the completion of a feasibility study, in which case he would be responsible for 20% of all expenditures incurred on the property after the conversion.

In addition, on June 2, 2003 the Company executed a 15-year extendible lease agreement date June 2, 2003 with the remaining 50% owner of the Boss patented claims, expiring June 2, 2018. The lease agreement requires a U.S. \$750 (CDN \$1,155) per month advance royalty payment for the first year, U.S. \$1,000 (CDN \$1,540) per month for the second year, and U.S. \$1,500 (CDN \$2,310) per month for the third year and thereafter. If production commences from the Boss patented claims, the monthly royalty payment converts to a 1.5% net smelter royalty, payable quarterly after recovery by the Company of the advance royalty payments.

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7. Related party transactions:

During the nine-month period ended September 30, 2003, the Company paid the president of the Company \$33,000 for management fees (September 30, 2002 - \$Nil). These costs were charged to management fees expense. At September 30, 2003, accounts payable and accrued liabilities included \$Nil (December 31, 2002 - \$13,375) relating to such services.

During the nine-month period ended September 30, 2003, the Company incurred expenses of \$2,423 (September 30, 2002 - \$3,456) with 397405 Alberta Ltd., a company owned by a director and shareholder of the Company, for exploration services provided and expenses incurred on behalf of the Company. These costs were capitalized as exploration expenditures. At September 30, 2003, accounts payable and accrued liabilities included \$18,339 (December 31, 2002 - \$15,916) relating to such services.

During the nine-month period ended September 30, 2003, the Company incurred expenses of \$2,890 (September 30, 2002 - Nil) with a shareholder of the Company, for exploration services provided to the Company. These costs were capitalized as exploration expenditures. At September 30, 2003, accounts payable and accrued liabilities included \$10,219 (December 31, 2002 - \$7,329) relating to such services.

8. Financial instruments:

The Company's financial instruments consist of financial assets and liabilities, all of which are current in nature and whose book values approximate their fair values.