

DUNCAN PARK HOLDINGS CORPORATION

FINANCIAL STATEMENTS

NOVEMBER 30TH, 2001

T. ROBERT HAMBLEY
Chartered Accountant
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AUDITOR'S REPORT

To the Shareholders of
Duncan Park Holdings Corporation

I have audited the balance sheets of Duncan Park Holdings Corporation as at November 30th, 2001 and 2000 and the statements of income and expenses, deficit and changes in cash position for the years then ended. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the company as at November 30th, 2001 and 2000 and the results of its operations and the changes in its net assets for the years then ended in accordance with generally accepted accounting principles.

“signed”

Toronto, Ontario
April 13, 2002

T. Robert Hambley
CHARTERED ACCOUNTANT

DUNCAN PARK HOLDINGS CORPORATION
STATEMENTS OF INCOME AND EXPENSES
FOR THE YEARS ENDED NOVEMBER 30TH, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
Income		
Interest and dividends	\$ 8,367	\$ 15,077
Trading gains (loss)	<u>19,628</u>	<u>(43,611)</u>
	27,995	(28,534)
Expenses		
Bookkeeping and registrar	12,881	6,304
Directors' fee	8,000	-
Management fee	11,796	-
Meeting	5,930	-
Interest expense	4,339	6,066
Legal and audit	37,475	4,085
Office	10,652	-
Rent	<u>4,333</u>	<u>-</u>
	<u>95,406</u>	<u>16,455</u>
Net income (loss) for the year	<u>\$(67,411)</u>	<u>\$(44,989)</u>

STATEMENTS OF DEFICIT

	<u>2001</u>	<u>2000</u>
Net deficit at beginning of year	\$689,044	\$644,055
Net loss for the year	<u>67,411</u>	<u>44,989</u>
	756,455	689,044
Dividend paid	<u>118,903</u>	<u>-</u>
Net deficit at end of year	<u>\$875,358</u>	<u>\$689,044</u>

DUNCAN PARK HOLDINGS CORPORATION
BALANCE SHEET
NOVEMBER 30TH, 2001

	<u>November 30,</u>	
	<u>2001</u>	<u>2000</u>
Current assets -		
Cash and cash equivalents	\$220,694	\$ 94,019
Investments	<u>122,430</u>	<u>433,672</u>
	<u>\$343,124</u>	<u>\$ 527,691</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities -		
Accounts payable	\$ 8,500	\$ 7,922
Unclaimed dividends	<u>7,310</u>	<u>6,141</u>
	15,810	14,063
Shareholders' equity -		
Share capital	1,168,700	1,168,700
Contributed surplus	<u>33,972</u>	<u>33,972</u>
	1,202,672	1,202,672
Deficit	<u>(875,358)</u>	<u>(689,044)</u>
	<u>327,314</u>	<u>513,628</u>
	<u>\$ 343,124</u>	<u>\$ 527,691</u>

Approved by The Board

“signed”
 Leonard J. Taylor, Director

“signed”
 Peter Holmes, Director

DUNCAN PARK HOLDINGS CORPORATION
STATEMENT OF CHANGES IN CASH POSITION
FOR THE YEARS ENDING NOVEMBER 30TH, 2001 AND 2000

	<u>November 30,</u>	
	<u>2001</u>	<u>2000</u>
Net assets at beginning of year	\$513,628	\$ 558,617
Net income (loss)	<u>(67,411)</u>	<u>(44,989)</u>
	<u>446,217</u>	<u>513,628</u>
Dividends paid	<u>118,903</u>	_____ -
Net assets at end of year	<u>\$327,314</u>	<u>\$513,628</u>

DUNCAN PARK HOLDINGS CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
NOVEMBER 30, 2001

1. Accounting Policy

Investments are carried at market value. Investments are marked to market on a monthly basis.

2. Capital Stock

- i) Effective October 19, 1999 the Company at a Special Meeting of Shareholders:
 - a) Changed its authorized capital from 1,000,000 common shares without par value to an unlimited number of common shares without par value.
 - b) Subdivided each outstanding common share into 5 common shares.
 - c) Authorized a private placement of 666,667 common shares at a price of \$0.375 per share for aggregate proceeds of \$250,000. Subsequent to the meeting, the shares were issued.
 - d) Approved an Incentive Stock Option Plan for directors, officers, employees, and consultants of the Corporation whereby 10% of the Common Shares were reserved for the plan after giving effect to the private placement described in (c) above.
- ii) Total shares outstanding at November 30, 2001 was 7,926,835 common shares without par value.
- iii) Effective January 18, 2000 all stock options in total representing 792,680 shares were granted to two former directors with an exercise price of \$0.125 each, vesting immediately and expiring on January 18, 2005. Such stock options expired during the period with the resignation of both directors.

3. Change of Control

Effective July 9, 2001 effective control of the company was assumed by a third party from the former group.

DUNCAN PARK HOLDINGS CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
NOVEMBER 30, 2001

4. Subsequent events

- a) The Company has filed a reactivation plan with the Canadian Venture Exchange Inc. The CDNX designated the Company "inactive", effective February 27, 2001. In an effort to reactive itself, the Company proposes to initially acquire leases on three mineral exploration properties in the Carlin Trend in northern Nevada; South Silver Cloud/Rock Creek, Santa Renai and Woodruff/Tonka.

The transaction is subject to board and regulatory approval, as is the reactivation plan, due diligence and the signing of a definitive agreement. The transaction calls for the Company to initially pay advanced minimum royalty payments (AMRPs) of US\$20,000 and issue 50,000 Common Shares to the arm's-length vendor for each of the Properties. The AMRPs would be paid against a 3% NSR, which would contain buy-back and sliding royalty provisions, payable on each of the Properties. The Company would incur expenses of approximately US\$68,559 with respect to staking, filing and holding costs associated with the Properties. In addition, the work program calls for exploration expenditures of US\$80,000 to US\$100,000 over a three-year period. In the event that the Company proceeds with exploration after the first year, it would pay additional AMRPs annually and issue up to 50,000 Common Shares per Property.

The Company has funds on hand to meet the first-year expenses for the Properties of approximately US\$200,000. In any event, the Company proposes to issue CDN\$500,000 of 8% Convertible Debentures. The Debentures would be convertible for 18 months into Units at a price of CDN\$0.20 per Unit. Each Unit would be comprised of one Common Share and one Purchase Warrant, each warrant being exercisable for a period of 18 months from the date of issue of the Debentures into one Common Share at a price of CDN\$0.30 per share.

The proceeds from the sale of the Debenture may be used to fund further exploration on the Properties, if warranted. Otherwise, the Company intends to use the proceeds to fund other potential investments.

DUNCAN PARK HOLDINGS CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
NOVEMBER 30, 2001

- b) The Company has signed a letter of intent to acquire a lease on the "Elephant Property" mineral exploration property in the Battle Mountain - Eureka Trail in northern Nevada.

The transaction calls for the Company to initially pay advanced minimum royalty payments (AMRPs) of US\$20,000 and issue 50,000 Common Shares to the arm's-length vendor of the Property. The AMRPs would be paid against a 3% NSR, which would contain buy-back and sliding royalty provisions, payable on the Property. The Company would incur expenses of approximately US\$64,500 with respect to staking, filing and holding costs associated with the Property. In addition, the work program calls for exploration expenditures of US \$80,000 to US\$100,000 over a three-year period. In the event that the Company proceeds with exploration after the first year, it would pay additional AMRPs annually, and after the third year issue up to an additional 50,000 Common Shares. This transaction is subject to due diligence, regulatory approval, final agreements and shareholder approval.

- c) Stock options have been granted to its officers and directors in the total amount of 646,340 stock options exercisable at a price of \$0.20 per common share until March 1, 2005, subject to shareholder and regulatory approval.