

DUNCAN PARK HOLDINGS CORPORATION
CONSOLIDATED INTERIM FINANCIAL STATEMENTS

MAY 31, 2002

(Unaudited)

NOTICE TO READER

I have compiled the consolidated interim balance sheet of Duncan Park Holdings Corporation as at May 31, 2002 and November 30, 2001 and the consolidated statements of income and expenses, deficit and changes in cash position for the period then ended from information provided by management. I have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Accordingly, readers are cautioned that these statements may not be appropriate for their purposes.

The May 31, 2002 balances are unaudited. The November 30, 2001 balance sheet was audited.

“signed”

Toronto, Ontario
July 29, 2002

T. Robert Hambley
CHARTERED ACCOUNTANT

DUNCAN PARK HOLDINGS CORPORATION
CONSOLIDATED BALANCE SHEET
MAY 31st, 2002
(Unaudited)

	May 31, <u>2002</u>	November 30, <u>2001</u>
Current assets -		
Cash	\$ 57,676	\$ 220,694
Investments, at market value	<u>93,391</u>	<u>122,430</u>
	151,067	343,124
Investment in mining claims	<u>138,519</u>	<u>-</u>
	<u>\$289,586</u>	<u>\$ 343,124</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities -		
Due to broker	\$ -	\$ -
Accounts payable	12,851	8,500
Unclaimed dividends	<u>6,957</u>	<u>7,310</u>
	19,808	15,810
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>(932,894)</u>	<u>(875,358)</u>
	<u>269,778</u>	<u>327,314</u>
	<u>\$ 289,586</u>	<u>\$ 343,124</u>

DUNCAN PARK HOLDINGS CORPORATION
CONSOLIDATED STATEMENTS OF INCOME AND EXPENSES
FOR THE THREE MONTHS AND SIX MONTHS
ENDED MAY 31, 2002 AND 2001
(Unaudited)

	<u>Three Months</u>		<u>Six Months</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Income				
Interest and dividends	\$ 18	\$ 4,161	\$ 3,542	\$ 4,721
Trading gains (loss)	(14,222)	75,719	8,820	151,331
Foreign exchange gain (loss)	<u>(5,106)</u>	<u>-</u>	<u>(5,106)</u>	<u>969</u>
	(19,310)	79,880	7,256	157,021
Expenses				
Bookkeeping, registrar and filing fees	9,076	2,886	10,067	6,509
Consulting fee	7,500	-	7,500	-
Director fee	-	2,000	-	2,000
Interest expense	1,335	490	2,801	1,565
Legal and audit	12,896	12,071	15,796	13,785
Meeting expense	205	-	205	-
Office	7,462	94	16,083	220
Rent	2,700	-	5,499	-
Travel	<u>4,219</u>	<u>-</u>	<u>6,841</u>	<u>-</u>
	<u>45,393</u>	<u>17,541</u>	<u>64,792</u>	<u>24,079</u>
Net income (loss) before provision for income tax	(64,703)	62,339	(57,536)	132,942
Provision for income tax	-	27,000	-	27,969
Recovery of income taxes due to application of loss carryforwards	<u>-</u>	<u>(24,813)</u>	<u>-</u>	<u>(24,813)</u>
Net income tax	<u>-</u>	<u>2,187</u>	<u>-</u>	<u>3,156</u>
Net income (loss) after income tax	<u>\$(64,703)</u>	<u>\$ 60,152</u>	<u>\$(57,536)</u>	<u>\$129,786</u>
Earnings (loss) per share	<u>\$ (0.089)</u>	<u>\$ 0.008</u>	<u>\$(0.007)</u>	<u>\$ 0.016</u>

INTERIM STATEMENTS OF DEFICIT

	<u>Three Months</u>		<u>Six Months</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Net deficit at beginning of year	\$868,191	\$689,410	\$875,358	\$689,044
Net income (loss) for the period	<u>(64,703)</u>	<u>60,152</u>	<u>(57,536)</u>	<u>129,786</u>
Net deficit at end of period	<u>\$932,894</u>	<u>\$559,258</u>	<u>\$932,894</u>	<u>\$559,258</u>

DUNCAN PARK HOLDINGS CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN CASH POSITION
FOR THE THREE MONTHS AND SIX MONTHS
ENDED MAY 31, 2002 AND 2001
(Unaudited)

	Three Months		Six Months	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Operating activities -				
Income (loss) for the period	\$ (64,703)	\$ 60,152	\$ (57,536)	\$ 129,786
Decrease (increase) in investments	58,367	(96,206)	29,039	(145,321)
Increase (decrease) in current liabilities	<u>(45,751)</u>	<u>(1,844)</u>	<u>3,998</u>	<u>(1,845)</u>
Decrease in cash from operations	(52,087)	(37,898)	(24,499)	(17,380)
Investing activities -				
Investment in mining claims	<u>138,519</u>	-	<u>138,519</u>	-
Decrease in cash for the period	(190,606)	(37,898)	(163,018)	(17,380)
Cash at beginning of period	<u>248,282</u>	<u>114,537</u>	<u>220,694</u>	<u>94,019</u>
Cash at end of period	<u>\$ 57,676</u>	<u>\$ 76,639</u>	<u>\$ 57,676</u>	<u>\$ 76,639</u>

DUNCAN PARK HOLDINGS CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MAY 31, 2002
(Unaudited)

1. Accounting Policies:

- a) Investments are carried at market value. Investments are marked to market on a monthly basis.
- b) Investment in wholly owned subsidiary is consolidated.
- c) Investment in mining claims are recorded at cost and are not written off until it is determined that there is a value less than cost.

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 May 31, 2002 was 7,926,835 common shares without par value.

DUNCAN PARK HOLDINGS CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MAY 31, 2002
(Unaudited)

3. Other transactions

- 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 CONSOLIDATED FINANCIAL STATEMENTS
MAY 31, 2002
(Unaudited)

- 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.

4. Related party transaction

Leonard J. Taylor, president and a director was paid consulting fees in total amount of \$7,500.

5. Subsequent event

Subsequent to May 31, the company closed a private placement of 8% unsecured convertible debentures for gross proceeds of \$500,000. Each debenture is convertible into a unit, each unit comprised of one common share of the company and one common share warrant. The debentures are convertible at the option of the holder until December 18, 2002. Each purchase warrant, in turn, entitles the holder to acquire one common share of the company at an exercise price of \$0.30 per share until December 18, 2002. The debentures and the underlying securities are subject to a statutory and exchange holding period.