



British Columbia Securities Commission

BCSC

QUARTERLY AND YEAR END REPORT

BC FORM 51 -901 F
(previously Form 61)

Freedom of Information and Protection of Privacy Act: The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Securities Act*. C) questions about the collection or use of this information can be directed to the Supervisor, Financial Reporting (604-899-6729), PO Box 10142, Pacific Centre, 701 West Georgia Street, Vancouver BC V7Y 1 L2. Toll Free in British Columbia 1-800-373-6393

INSTRUCTIONS

This report must be filed by the Exchange Issuers within 60 days of the end of their first, second and third quarters and within 140 days of their year end. "Exchange issuer" means an issuer whose securities are listed and posted for trading on the Canadian Venture Exchange and are not listed and posted on any other exchange or quoted on a trading or quotation system in Canada. Three schedules must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements prepared in accordance with generally accepted accounting principles are required as follows:

For the first, second and third financial quarters:

Interim financial statements prepared in accordance with section 1751 of the CICA Handbook, including the following: balance sheet income statement, statement of retained earnings, cash flow statement, and notes to the financial statements.

The periods required to be presented, consistent with CICA Handbook Section 1751 are as follows:

- a balance sheet as of the end of the current interim period and a comparative balance sheet as of the end of the immediately preceding fiscal year
- a statement of retained earnings cumulatively for the current fiscal year-to-date, with a comparative statement for the comparable year-to-date period of the immediately preceding fiscal year; and
- income statements and cash flow statements for the current interim period and cumulatively for the current fiscal year-to-date, with comparative statements for the comparable interim periods (current and year-to-date) of the immediately preceding fiscal year

For the financial year end:

Annual audited financial statements prepared on a comparative basis.

Exchange Issuers with a fiscal year less than or greater than 12 Months should refer to National Policy No. 51 *Changes in Ending Date of a Financial Year and in Reporting Status* for guidance.

Issuers in the development stage are directed to the guidance provided in CICA Accounting Guidelines AcG-11 *Enterprises in the Development Stage* that states "enterprises in the development Stage are encouraged to disclose in the income statement and in the cash flow statement cumulative balances from the inception of the development stage."

Issues that have been involved in a reverse take-over should refer to the guidance found in BCIN #52-701 (previously NIN #91/21) with respect to such transactions including the requirement for disclosure of supplementary information regarding the legal parent's prior financial operations.

SCHEDULE B. SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. *Analysis of expenses and deferred costs*

Provide a breakdown of amounts presented in the financial statements for the following: deferred or expensed exploration, expensed research, deferred or expensed development, cost of sales, marketing expenses, general and administrative expenses, and any other material expenses reported in the income statement and any other material deferred costs presented in the balance sheet.

The breakdown should separately present, at a minimum, each component that comprises 20% or more of the total amount for a material classification presented on the face of the financial statements. All other components of a material classification may be grouped together under the heading "miscellaneous" or "other" in the cost breakdown; the total for "miscellaneous" should not exceed 30% of the total for a material classification.

Breakdowns are required for the year-to-date period only. Breakdowns are not required for comparative periods.

Issuers in the development stage are reminded that Section 3(9)(b) of the BC Securities Commission's Rules requires a schedule or note to the financial statements containing an analysis of each of exploration, research, development and administration costs, whether expensed or deferred and if the issuer is a natural resource issuer, that analysis for each material property. Because the analysis required by Rule 3(9)(b) must be included in the financial statements, the information does not have to be repeated in Schedule B. Consistent with CICA Accounting Guidelines AcG-1 1, staff considers an issuer to be in the development stage when it is devoting substantially all of its operations have not commenced. Further, in staff's view, the lack of significant revenues for the past two years normally indicates that an issuer is in the development stage.

2. *Related party transactions*

Provide disclosure of all related party transactions as specified in Section 3840 of the CICA Handbook.

3. *Summary of securities issued and options granted during the period*

Provide the following information for the year-to-date period:

- (a) summary of securities issued during the period, including date of issue, type of security (common shares, convertible debentures, etc.), type of issue (private placement, public offering, exercise of warrants, etc.) number, price, total proceeds, type of consideration (cash, property, etc.) and commission paid, and
- (b) summary of options granted during the period, including date, number, name of optionee for those options granted to insiders, generic description of other optionees (e.g. employees,) exercise price and expiry date.

4. *Summary of securities as at the end of the reporting period*

Provide the following information as at the end of the reporting period:

- (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion and
- (b) number and recorded value for shares issued and outstanding
- (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and
- (d) number of shares in each class of shares subject to escrow or pooling agreements.

5. *List the names of the directors and officers as at the date this report is signed and filed.*

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

1. General Instructions

- (a) Management discussion and analysis provides management with the opportunity to discuss an issuer's business, current financial results, position and future prospects.
- (b) Focus the discussion on material information, including liquidity, capital resources, known trends, commitments, events, risks or uncertainties, that is reasonably expected to have a material effect on the issuer.
- (c) For an issuer with active ongoing operations the discussion should be substantive (e.g. generally two to four pages in length); for an issuer with limited operations the discussion may not be as extensive (e.g. one page).
- (d) The discussion must be factual, balanced and non-promotional.
- (e) Where the discussion relates to a mineral project, as defined in National Instrument 43-101 "Standards of Disclosure for Mineral Projects," the disclosure must comply with NI 43-101.

2. Description of Business

Provide a brief description of the issuer's business. Where an issuer is inactive and has no business, disclose these facts together with a description of any plans to reactivate and the business the issuer intends to pursue.

3. Discussion of Operations and Financial Condition

Provide a meaningful discussion and analysis of the issuer's operations for the current year-to-date period presented in the financial statements. Discuss the issuer's financial condition as at the date of the most recent balance sheet presented in the financial statements.

The following is a list of items that should be addressed in management's discussion and analysis of the issuer's operations and financial condition. This is not intended to be an exhaustive list of the relevant items.

- (a) expenditures included in the analysis of expenses and deferred costs required under Securities Rule 3(9)(b) and Schedule B;
- (b) acquisition or abandonment of resource properties material to the issuer including material terms of any acquisition or disposition;
- (c) acquisition or disposition of other material capital assets including material terms of the acquisition, or disposition;
- (d) material write-off or write-down of assets;
- (e) transactions with related parties, disclosed in Schedule B or the notes to the financial statements;
- (f) material contracts or commitments;
- (g) material variances between the issuer's financial results and information previously disclosed by the issuer, (for example if the issuer does not achieve revenue and profit estimates previously released, discuss this fact and the reasons for the variance);
- (h) material terms of any existing third party investor relations arrangements or contracts including:

- i. the name of the person;
- ii. the amount paid during the reporting period; and
- iii. the services provided during the reporting period;
- (i) legal proceedings;
- (j) contingent liabilities;
- (k) default under debt or other contractual obligations;
- (l) a breach of corporate, securities or other laws, or of an issuer's listing agreement with the Canadian Venture exchange including the nature of the breach, potential ramifications and what is being done to remedy it;
- (m) regulatory approval requirements for a significant transaction including whether the issuer has obtained the required approval or has applied for the approval;
- (n) management changes; or
- (o) special resolutions passed by shareholders.

4. Subsequent Events

Discuss any significant events and transactions that occurred during the time from the date of the financial statements up to the date that this report is certified by the issuer.

5. Financings, Principal Purposes and Milestones

- (a) In a tabular format, compare any previously disclosed principal purposes from a financing to actual expenditures made during the reporting period.
- (b) Explain any material variances and the impact, if any, on the issuer's ability to achieve previously disclosed objectives and milestones.

6. Liquidity and Solvency

Discuss the issuer's working capital position and its ability to meet its ongoing obligations as they become due.

How to File Under National Instrument 13-101 - System for Electronic Document Analysis and Retrieval (SEDAR)

BC Form 51 -901 F Quarterly and Year End Reports are filed under Category of Filing: Continuous Disclosure and Filing Type: Interim Financial Statements or Annual Financial Statements. Schedule A (Financial Statements) is filed under Document Type: Interim Financial Statements or Annual Financial Statements. Schedule B (Supplementary Information) and Schedule C (Management Discussion) are filed under Document Type: BC Form 51 -901 F (previously Document Type Form 61 (BC)).

Meeting the Form Requirements

BC Form 51 -901 F consists of three parts: Instructions to schedules A, B and C, issuer details and a certificate. To comply with National Instrument 13-101 it is not necessary to reproduce the instructions that are set out in BC Form 51 -901 F. A cover page to the schedules titled BC Form 51 -901 F that includes the issuer details and certificate is all that is required to meet the BC Form 51 -901 F requirements. The form of certificate should be amended so as to refer to one or two of the three schedules required to complete the report.

ISSUER DETAILS NAME OF ISSUER	FOR THE QUARTER ENDED	DATE OF REPORT YY/MM/DD
ERIN VENTURES INC.	March 31, 2001	01/05/30

ISSUER'S ADDRESS	10080 Jasper Avenue, Suite 907		
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CITY/PROVINCE	POSTAL CODE	ISSUER FAX NO.	ISSUER TELEPHONE NO.
Edmonton AB	T5J 1V9	(780) 426-3512	(780) 429-4961
CONTACT PERSON	CONTACT'S POSITION	CONTACT TELEPHONE NO.	
Tim Daniels	President	(780) 429-4961	

CONTACT EMAIL ADDRESS	WEB SITE ADDRESS

CERTIFICATE

The three schedules 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.

DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED												
▶ "Tim Daniels"	Tim Daniels	<table border="1"> <tr> <td>Y</td><td>Y</td><td>M</td><td>M</td><td>D</td><td>D</td> </tr> <tr> <td>0</td><td>1</td><td>0</td><td>5</td><td>3</td><td>0</td> </tr> </table>	Y	Y	M	M	D	D	0	1	0	5	3	0
Y	Y	M	M	D	D									
0	1	0	5	3	0									
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED												
▶ "James Wallis"	James Wallis	<table border="1"> <tr> <td>Y</td><td>Y</td><td>M</td><td>M</td><td>D</td><td>D</td> </tr> <tr> <td>0</td><td>1</td><td>0</td><td>5</td><td>3</td><td>0</td> </tr> </table>	Y	Y	M	M	D	D	0	1	0	5	3	0
Y	Y	M	M	D	D									
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ERIN VENTURES INC.
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2001

TERRY AMISANO LTD.
KEVIN HANSON, C.A.

AMISANO HANSON
CHARTERED ACCOUNTANTS

NOTICE TO READER

We have compiled the consolidated balance sheet of Erin Ventures Inc. as at March 31, 2001, and the consolidated statements of loss and deficit and cash flows for the nine months then ended from information provided by management. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

Vancouver, Canada
May 29, 2001

“AMISANO HANSON”
Chartered Accountants

ERIN VENTURES INC.
CONSOLIDATED BALANCE SHEET
as at March 31, 2001
(Unaudited - See Notice to Reader)

<u>ASSETS</u>		
	<u>2001</u>	<u>2000</u>
Current		
Cash	\$ 9,615	\$ 291,434
Accounts receivable	6,249	22,661
Prepays	-	1,315
	15,864	315,410
Capital assets	5,489	7,090
Resource properties	5,253,784	4,990,994
	\$ 5,275,137	\$ 5,313,494
<u>LIABILITIES</u>		
Current		
Accounts payable	\$ 1,577,211	\$ 1,538,046
Notes payable	573,549	600,893
Loan payable	-	11,344
	2,150,760	2,150,283
Non-controlling interest in subsidiary	-	58,477
	2,150,760	2,208,760
<u>SHAREHOLDERS' EQUITY</u>		
Share capital – Notes 2 and 4	5,257,145	4,950,576
Shares subscribed – Note 2	125,000	-
Deficit	(2,257,768)	(1,845,842)
	3,124,377	3,104,734
	\$ 5,275,137	\$ 5,313,494

Subsequent Events – Note 4

SEE ACCOMPANYING NOTES

ERIN VENTURES INC.
CONSOLIDATED STATEMENT OF LOSS AND DEFICIT
for the nine months ended March 31, 2001
(Unaudited - See Notice to Reader)

	<u>2001</u>	<u>2000</u>
Interest income	\$ 241	\$ 940
Expenses		
Administrative		
Accounting and audit	15,948	11,000
Amortization	1,321	1,755
Filing fees	9,020	11,703
Interest	51,464	38,622
Investor relations	61,816	45,000
Legal fees	12,168	4,000
Management fees	63,000	63,000
Office	9,729	26,945
Rent	9,450	9,450
Telephone	7,871	14,687
Transfer agent fees	8,983	10,281
Travel	12,205	11,050
Web site	2,261	-
	<u>265,236</u>	<u>247,493</u>
Loss for the period before other items	264,995	246,553
Foreign exchange	71,672	(14,959)
Gain on settlement of account payable	(5,500)	-
Mineral property investigation costs	-	13,658
Gain on disposal of interest in subsidiary	-	(7,672)
Non-controlling interest share of loss	-	(9,100)
	<u>331,167</u>	<u>228,480</u>
Net loss for the period	331,167	228,480
Deficit, beginning of the period	1,926,601	1,617,362
Deficit, end of the period	\$ <u>2,257,768</u>	\$ <u>1,845,842</u>
Loss per share	\$ <u>0.01</u>	\$ <u>0.01</u>

SEE ACCOMPANYING NOTES

ERIN VENTURES INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
for the nine months ended March 31, 2001
(Unaudited - See Notice to Reader)

	<u>2001</u>	<u>2000</u>
Operating Activities		
Operations		
Net loss for the period	\$ (331,167)	\$ (228,480)
Charges to income not affecting cash:		
Amortization	1,321	1,755
Gain on settlement of account payable	(5,500)	-
Gain on disposal of interest in subsidiary	-	(7,672)
Non-controlling interest share of loss	-	(9,100)
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	(335,346)	(243,497)
Changes in non-cash working capital accounts related to operations		
Accounts receivable	270	(14,727)
Prepaid expenses	8,300	3,875
Accounts payable	152,545	79,584
Notes payable	49,009	261,129
Loan payable	-	11,344
	<hr/>	<hr/>
	(125,222)	97,708
Financing Activities		
Issuance of common stock	224,100	423,760
Shares subscribed	27,500	-
Proceeds on disposal of interest in subsidiary	-	12,773
	<hr/>	<hr/>
	251,600	436,533
Investing Activities		
Increase in resource properties	(276,527)	(254,532)
	<hr/>	<hr/>
Increase (decrease) in cash during the period	(150,149)	279,709
Cash, beginning of the period	159,764	11,725
	<hr/>	<hr/>
Cash, end of the period	\$ 9,615	\$ 291,434
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SEE ACCOMPANYING NOTES

ERIN VENTURES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
 March 31, 2001
(Unaudited - See Notice to Reader)

Note 1 Interim Reporting

While the information presented in the accompanying interim nine months financial statements is unaudited, it includes all adjustments which are, in the opinion of management, necessary to present fairly the financial position, results of operations and changes in financial position for the interim periods presented. It is suggested that these interim financial statements be read in conjunction with the company's annual June 30, 2000 financial statements.

Note 2 Share Capital

a) Authorized

Unlimited voting common shares without par value

Unlimited preferred shares without par value

	#	\$
b) Issued and fully paid common shares		
Balance, June 30, 2000	22,135,095	5,033,045
For cash		
- Pursuant to a private placement – at \$0.15	970,000	145,500
(less: commission)	-	(14,550)
- Pursuant to a private placement – at \$0.23	450,000	103,500
(less: commission)	-	(10,350)
	23,555,095	5,257,145

c) Shares Subscribed

Shares subscribed of \$125,000 as at March 31, 2001 consisted of cash received pursuant to a private placement of 500,000 units at \$0.25 per unit. Each unit consists of one common share and one common share purchase warrant to purchase one common share at a price of \$0.50 per share expiring March 5, 2003.

Erin Ventures Inc.
Notes to the Interim Consolidated Financial Statements
March 31, 2001 – Page 2
(Unaudited - See Notice to Reader)

Note 2 Share Capital – (con't)

d) Commitments

At March 31, 2001 the following common share purchase options were outstanding:

<u>Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
550,000	\$0.25	January 18, 2003
100,000	\$0.50	January 1, 2004
460,000	\$0.55	January 14, 2004
300,000	\$0.25	January 18, 2006
<u>1,410,000</u>		

Share Purchase Warrants

At March 31, 2001, the following common share purchase warrants were outstanding to purchase one common share for each warrant held:

<u>Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
125,000	\$0.50	April 15, 2001
210,155	\$0.50	May 15, 2001
485,000	\$0.50	May 18, 2001
100,000	\$0.50	February 14, 2002
892,225	\$0.50	February 22, 2002
912,334	\$0.50	February 28, 2002
500,000	\$0.50	March 5, 2003
<u>3,224,714</u>		

Note 3 Related Party Transactions

The company incurred the following fees and expenses charged by directors of the company:

Deferred exploration and development expenditures	
– consulting	\$ 35,000
Management fees	63,000
Office and miscellaneous	3,825
Rent	9,450
Travel	4,725
	<hr/>
	\$ 116,000
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The charges were measured by the exchange amount, which is the amount agreed upon by the transacting parties, and are on terms and conditions similar to non-related entities.

Accounts payable as at March 31, 2001 includes \$64,479 due to directors of the company.

Note 4 Subsequent Events

Subsequent to March 31, 2001:

- a) The company issued 500,000 common shares pursuant to shares subscribed as at March 31, 2001.
- b) The company entered into a private placement agreement to issue 400,000 units at \$0.25 per unit for proceeds of \$100,000. Each unit consists of one common share of the company and one common share purchase warrant to purchase one common share at \$0.50. The warrants expire April 24, 2002.