



**British Columbia  
Securities Commission**

**QUARTERLY AND YEAR END REPORT  
BC FORM 51-901F (previously Form 61)**

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INCORPORATED AS PART OF:

\_\_\_\_\_ Schedule A

  **X**   Schedule B  
(place X in appropriate category)

**ISSUER DETAILS**

NAME OF ISSUER	FOR QUARTER ENDED	DATE OF REPORT YY/MM/DD
<b>ERIN VENTURES INC.</b>	<b>June 30, 2003</b>	<b>03/11/17</b>

ISSUER'S ADDRESS **10080 Jasper Avenue, Suite 907**

CITY	PROVINCE	POSTAL CODE	ISSUER FAX NO.	ISSUER TELEPHONE NO.
<b>Edmonton</b>	<b>AB</b>	<b>T5J 1V9</b>	<b>(780) 426-3512</b>	<b>(780) 429-4961</b>

CONTACT PERSON	CONTACT'S POSITION	CONTACT TELEPHONE NO.
<b>Tim Daniels</b>	<b>President</b>	<b>(780) 429-4961</b>

CONTACT E-MAIL ADDRESS	WEB SITE ADDRESS
<b>info@erinventures.com</b>	<b>erinventures.com</b>

**CERTIFICATE**

The three schedules required to complete this Report are attached and the disclosure contained therein has been approved by the Board of Directors. A copy of this Report will be provided to any shareholder who requests it.

<b>"Tim Daniels"</b>	<b>TIM DANIELS</b>	<b>03/11/17</b>
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD

<b>"Jim Wallis"</b>	<b>JIM WALLIS</b>	<b>03/11/17</b>
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD

(Electronic signatures should be entered in "quotations")

**ERIN VENTURES INC.**  
**YEAR END REPORT**  
for the year ended June 30, 2003

Schedule A: Financial Information  
– See financial statements attached

Schedule B: Supplementary Information

1. Analysis of expenses and deferred costs

Deferred Costs:

<u>Resource Properties</u>	<u>Stope Baby</u>	<u>Piskanja</u>	<u>Total</u>
Balance, beginning of period	\$ 236,153	\$ 1	\$ 236,154
Deferred exploration expenditures			
Consulting fees	-	5,000	5,000
Geological consulting fees	10,158	-	10,158
	<u>10,158</u>	<u>5,000</u>	<u>15,158</u>
Adjustments:			
Write-down of resource property	-	(5,000)	(5,000)
BC mining tax credit	(1,700)	-	(1,700)
Balance, end of period	<u>\$ 244,611</u>	<u>\$ 1</u>	<u>\$ 244,612</u>

Administrative expenses:

– See financial statements attached

2. Related party transactions

– See Note 10 to the financial statements

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

a) Summary of common shares issued during the period:

<u>Date</u>	<u>Type of Issue</u>	<u>Number</u>	<u>Price</u>	<u>Total Proceeds</u>	<u>Consideration</u>	<u>Commission</u>
Nov. 11/02	Private placement	500,000	\$0.25	\$ 125,000	Cash	-
Dec. 17/02	Private placement	600,000	\$0.25	\$ 150,000	Cash	-
Mar. 14/03	Private placement	600,000	\$0.25	\$ 150,000	Cash	\$11,250
Mar. 14/03	Debt settlement	225,000	\$0.49	\$ 110,250	Debt	-
Mar. 14/03	Debt settlement	140,000	\$0.35	\$ 48,720	Debt	-
Apr. 14/03	Private placement	800,000	\$0.25	\$ 200,000	Cash	-

b) Summary of options granted during the period: None

4. Summary of securities as at the end of the reporting period:
  - a) Authorized share capital:
    - See Note 9 to the financial statements
  - b) Number and recorded value for shares issued and outstanding:
    - See Note 9 to the financial statements
  - c) Options, warrants and convertible securities outstanding:
    - See Note 9 to the financial statements
  - d) Number of shares in each class of shares subject to escrow or pooling agreements:
    - Nil
  
5. List of Directors and Officers: Tim Daniels, President and Director  
Barbara Morrow, Director  
William Thompson, Director  
Dr. Dragoljub Jujic, Director  
Jim Wallis, Director

Schedule C: Management Discussion  
– See attached

**ERIN VENTURES INC.**  
**YEAR END REPORT – SCHEDULE C**  
**for the year ended June 30, 2003**

Schedule C: Management Discussion

**Description of Business**

Erin Ventures Inc. (the “Issuer”) is a TSX Venture Exchange listed company. It has interests in resource prospects located in British Columbia and the Federal Republic of Serbia & Montenegro (formerly the F.R of Yugoslavia). The Canadian resource prospect in British Columbia is an early stage exploration property hosting a polymetallic epithermal discovery with a showing of lead, zinc, copper, gold and silver. The Serbian prospect is focused on exploration for the industrial mineral boron. As well, the issuer holds an interest in Genoray Advanced Technologies Ltd. (“Genoray”), (formerly Soundcache.com Inc.). Erin maintains a 12% equity shareholding in Genoray.

During the Quarter under review the Issuer achieved the following objectives:

**Current Status and Future plans for the Stope Baby Property in British Columbia**

The TSX Venture Exchange has issued a bulletin accepting for filing documentation relating to the property option agreement dated Dec. 12, 2002, between the company and 766072 Alberta Ltd., a wholly owned subsidiary of Erin Ventures Inc., whereby 766072 granted Otish the option to acquire a 50-per-cent interest in the Stope Baby claims held under option by 766072, located in the Quesnel mining district, British Columbia, by the issuance of a total of 300,000 shares and \$750,000 exploration expenditures over three years and annual advance royalty payments of \$7,500 cash plus \$2,500 in cash or shares.

Phase one of the exploration program, was completed in early July of this year. This season’s field work included grid preparation, geological mapping, soil sampling for enzyme leach analyses, and MaxMin and magnetometer geophysical surveys. Interpretations and a final report are expected to follow shortly.

With these expenditures by Otish, all obligations have been met to keep the agreement in good standing. Furthermore, Erin’s undivided equity interest in the Property is now increased to 30% from 25%, as a result of the completion of this year’s exploration. Otish has assumed 100% of Erin’s remaining expenditure obligations on the Property, in order to earn a 50% interest in the Property. Erin retains the remaining 50% ownership, upon all required funds being expended by Otish.

Otish’s obligation on the property for 2004 is \$100,000 in exploration expenditures and a payment of 100,000 common shares to Erin in order to keep the agreement in good standing.

**Current Status and Future plans for the Piskanja Property in Serbia**

As of the year ended June 2001, the Issuer reduced the Carrying Value of the Piskanja Borate Property in Serbia, and its associated capitalized amounts, to \$1 for accounting purposes.

In June of this year, Erin submitted a formal application for a mining concession covering the Jarondol Basin region in Serbia, for the exploration and exploitation rights to boron. This concession application was intended to replace the original joint venture agreement between Erin and the Serbian national power corporation that was signed in 1997. This new proposal was submitted by Erin only after extensive consultation with the appropriate Serbian Government authorities, and is in keeping with the recently enacted Serbian concession law as it pertains to mining, the environment, foreign

ownership, and other laws and considerations. Erin is of the opinion that this new proposal offers considerable benefit to both Erin and the Republic of Serbia, relative to the original joint venture agreement. On the 28<sup>th</sup> of August, the Serbian Government officially accepted and approved the proposal in Erin's concession application, during a formal sitting of the Government.

This Government approval, as stated in the concession law, is subject to: (i) Erin and the relevant government ministry (or ministries) entering into a binding contract, detailing the parameters of the concession; (ii) an independent legal opinion on the granting of the concession; and (iii) a review by an expert, government appointed concession committee charged primarily with the task of ensuring the implementation of the concession agreement, and overseeing the Republic's interest in a concession. The government has developed a framework for the process that helps to limit the potential for delays in obtaining the required ministerial and committee reviews, in order to ensure an efficient and expeditious completion of the process.

The corporation's operation in Serbia remains suspended until such time as a new agreement can be reached. The corporation does maintain a "skeleton operation" in Serbia during this time. This includes one management and two field personnel from Serbia, who are responsible to secure and maintain the corporation's premises, equipment, core samples, etc, as well as to ensure that all requisite interaction with the appropriate authorities continues in order to maintain the legal operating status of the joint venture company such as compiling and filing financial statements, maintaining permits, etc.

The corporation intends to continue with all current exploration commitments if, as and when a new agreement can be reached. The corporation requires additional funding to complete its exploration commitments. There are no assurances that such funding will be available to complete these commitments. Several different financing alternatives were actively being pursued prior to the hostilities. These include: the retention of the services of the Project and Commodity Financing Division of the Union Bank of Switzerland, who specializes in large scale project financings; significant interest with several institutional investors, who specialize in equity investments of junior mining companies; and an agreement in principle with a major global chemical company for the purpose of joint venturing the development of the property.

There is no assurance that Erin will be able to negotiate a binding contract with the Serbian authorities, or that any such agreement, if reached, will be confirmed by the concession committee. In addition, any such agreement, if reached, may be subject to a number of conditions and timelines, such as financing and expenditure requirements that Erin may not be able to satisfy.

### **Investor Relations Activities**

Blake Fallis provided investor relations services to the Issuer at a remuneration of \$86,267 for the year ended June 30, 2003. In addition, Mr. Fallis has an option to acquire 100,000 shares of the Issuer at a price of \$0.50 until January 1, 2004.

The investor relation activities of Mr. Fallis include such activities as:

- (a) corporate and shareholder communications and investor relations including preparation of press releases and other material and responding to shareholder inquiries on a timely basis;
- (b) public relations and promotional matters;
- (c) assisting in fund raising
- (d) corporate administration and record keeping, including inter-corporate communications and handling accounts payable.

### **Management Services and Fees**

Mr. Tim Daniels, President and CEO is the only full time member of management. He receives \$5,000 per month remuneration for his services. His services include, but are not limited to, all general administrative functions such as bookkeeping, bill payment, audit preparation, regulatory filings, as well as aiding in Investor Relations, attending meetings, strategic planning, negotiation of acquisitions, coordinating and aiding in fund raising activities, and representing Erin Ventures on the Board of Directors of Ras Borati. Mr. James Wallis, Director of the corporation is a professional mining engineer who provides services to the corporation on a consulting basis. Mr. Wallis is remunerated at a monthly rate of \$5,000 per month for those periods when his services are required. Duties of Mr. Wallis include planning and overseeing all exploration and development of the corporation's mineral properties, aiding in the assessment and negotiation of new potential acquisitions, attending investor and analyst meetings, as well as representing Erin Ventures on the Board of Directors of Ras Borati.

### **Significant Events and Transactions**

Erin entered into an option agreement with Otish Mountain Exploration Inc. of Vancouver, British Columbia to jointly develop Erin's Stope Baby Property. According to the terms of this agreement, Otish assumes 100% of Erin's remaining expenditure obligations on the Property, in order to earn a 50% interest in the Property. Erin retains the remaining 50% ownership, upon all required funds being expended by Otish. Otish is obligated to expend a total of \$750,000 on exploration and development on the Property, as per the following table:

<u>Date</u>	<u>Required Expenditure by Otish</u>	<u>Interest Earned by Otish</u>	<u>Stock Consideration to Erin</u>
At closing	-	-	100,000 shares
March 1, 2003	\$40,000	0%	100,000 shares
March 1, 2004	100,000	10%	100,000 shares
March 1, 2005	200,000	15%	Nil
March 1, 2006	410,000	25%	Nil
<b>Totals</b>	<b>\$750,000</b>	<b>50%</b>	<b>300,000 shares</b>

Furthermore, Otish has agreed to issue a total of 100,000 of its common shares to Erin, in consideration of the grant of the option, and a further 200,000 common shares are to be issued to Erin to exercise the option. Otish is to be the operator on the Property.

### **Foreign Exchange Gain**

The corporation recorded a foreign exchange gain of \$127,520 during the period. This is due to the fact that certain obligations of the Issuer are carried in US currency. The Issuer had foreign debt in the amount of US \$748,500. As well, the Issuer has expenses in Serbia ongoing that are also subject to currency fluctuations.

### **Increase in Expenses**

The corporation incurred an increase in administrative expenses of \$55,615 when compared to the year ended June 30, 2002. This represents an increase of 12.5%. The most significant expense increase was Interest expense, which increased from \$155,672 to \$229,939. This represents an increase of \$74,267 or 47.7%. The Issuer has taken steps to significantly reduce its debt load and therefore, its Interest expense.

### **Discussion of Operations and Financial Condition**

The following discussion should be read in conjunction with the consolidated financial statements and related notes thereto for the year ended June 30, 2003 (the “period”) that are identified as Schedule “A” to this Report. There have been no major changes in accounting policies during the Period.

During the Period, the Issuer expended \$500,353 on general and administrative expenses. Other significant items consist primarily of foreign exchange gain of \$127,520, gain on forgiveness of accounts payable of \$479,086 and costs of \$93,022 in respect to a development plan on the Piskanja property. The issuer reported a net loss of \$55,577 or \$0.00 per share for the period compared to a net loss of \$472,755 or \$0.03 per share for the twelve months ended June 30, 2002.

Further development on these properties is dependent upon the Issuer securing additional financing or arranging for other parties to participate in and/or fund such development. There is no assurance that that such arrangements can be secured, however, Erin is working diligently on obtaining such funding.

### **Risks and Uncertainties**

The reader is advised that the following is merely a summary of the risks and uncertainties faced by the Issuer. The reader should refer to the Issuers “Annual Information Form” for additional description of the possible risks faced by the Issuer.

Mining exploration is an inherently risky business with no guarantees that further exploration will result in an economically viable mine. Amongst the risks faced by the Issuer are such things as foreign government risks; title risks; currency fluctuations and deflationary risks; exploration and mining risks; competition risks; financing risks; uninsurable risks; permits and licences risks; mineral prices risks; and environmental regulations risks

The Issuer maintains a financial interest in a resource prospect located in Serbia. Serbia has been the subject of several regional wars and resulting sanctions for a period of approximately 10 years. While the region now appears to be stabilizing, with international sanctions being removed, it is still a volatile region with much political risk associated. There is no guarantee that the current government will bring stability to the region or implement economic reforms, which are conducive to a stable work environment for the Issuer. Furthermore, there is no assurance the Issuer will be able to secure the financing required to complete obligations on the Issuers resource prospects. There remains a risk that

the government of Serbia may decide to not recognize Erin's interest in the Piskanja Property, may take the position that Erin's contract is at an end, or may otherwise change the applicable government regulations, so that Erin Ventures may entirely lose its interest in the Property.

There is no assurance that Erin will be able to negotiate a binding contract with the Serbian authorities, or that any such agreement, if reached, will be confirmed by the concession committee. In addition, any such agreement, if reached, may be subject to a number of conditions and timelines, such as financing and expenditure requirements that Erin may not be able to satisfy.

### **Related Party Transactions**

During the period, the Issuer incurred expenses of \$148,570 with related parties, as compared with \$132,000 for the year ending June 30, 2002. Of this amount \$60,000 represented management fees, \$3,000 travel, and \$63,820 was a write-off of advances receivable. Refer to Note 9 to the attached financial statements for further details.

### **Acquisition or Abandonment of Assets**

During the Period in question, the Issuer did not acquire nor abandon any resource properties.

### **Legal Proceedings**

The Issuer is not engaged in any legal proceedings at this time.

### **Financings and Principal Purposes**

During the period ended June 30, 2003, the Issuer raised \$625,000, prior to commissions, in respect to private placements of 2,500,000 units at \$0.25 per unit. Each unit consists of one common share and one common share purchase warrant which entitles the holders thereof the right to purchase one common share at \$0.35 per share expiring June 10, 2003 to November 15, 2003.

The Issuer also issued 365,000 common shares to settle debts totaling \$158,970.

### **Liquidity and Solvency**

As at June 30, 2002 the Issuer had current assets of \$299,383. Current liabilities stood at \$1,607,071, which has decreased \$579,505 from the \$2,186,576 at June 30, 2002. Despite the working capital deficiency of \$1,307,688 the Issuer has and continues to maintain good relations with its creditors. The Issuer has funded its working capital needs primarily through equity sales as well as through unsecured loans. The Issuers ability to meet its obligations and maintain operations is contingent upon financing arrangements and the support of its creditors.

### **Subsequent Events**

See Note 11 to the financial statements.