

ERIN VENTURES INC.
INTERIM CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2005

(Unaudited)

THE ACCOMPANYING FINANCIAL STATEMENTS FOR THE THREE AND NINE MONTHS ENDED MARCH 31, 2005 AND 2004 HAVE NOT BEEN REVIEWED OR AUDITED BY THE COMPANY'S AUDITORS.

ERIN VENTURES INC.
INTERIM CONSOLIDATED BALANCE SHEETS
 March 31, 2005 and June 30, 2004
 (Unaudited)

<u>ASSETS</u>	March 31, <u>2005</u>	June 30, <u>2004</u>
Current		
Cash	\$ 40,422	\$ 335,398
Mining tax credit receivable	3,700	3,700
GST receivable	2,214	1,308
Amount receivable – Note 2	160,120	-
Prepaid expense	<u>2,625</u>	<u>745</u>
	209,081	341,151
Equipment	3,037	3,711
Investment	1	1
Resource properties	<u>254,329</u>	<u>254,329</u>
	<u>\$ 466,448</u>	<u>\$ 599,192</u>
 <u>LIABILITIES</u> 		
Current		
Accounts payable – Note 4	\$ 179,008	\$ 232,176
Note payable – Note 5	<u>453,588</u>	<u>511,903</u>
	<u>632,596</u>	<u>744,079</u>
 <u>SHAREHOLDERS' DEFICIENCY</u> 		
Share capital – Notes 3 and 7	8,599,419	8,190,920
Shares subscribed – Note 7	28,000	28,000
Deficit	<u>(8,793,567)</u>	<u>(8,363,807)</u>
	<u>(166,148)</u>	<u>(144,887)</u>
	<u>\$ 466,448</u>	<u>\$ 599,192</u>

SEE ACCOMPANYING NOTES

ERIN VENTURES INC.
INTERIM CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT
for the three and nine months ended March 31, 2005 and 2004
(Unaudited)

	Three months ended March 31,		Nine months ended March 31,	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Administrative Expenses				
Accounting and audit fees	\$ 4,300	\$ 4,750	\$ 13,700	\$ 11,163
Amortization	225	240	674	720
Consulting fees– Note 4	-	9,884	10,000	19,249
Filing fees	2,741	4,925	4,256	10,465
Interest	13,532	11,549	46,309	57,592
Investor relations	15,000	-	45,000	49,133
Legal fees	1,721	5,000	7,678	5,000
Management fees – Note 4	15,000	15,000	45,000	50,000
Office and miscellaneous – Note 4	15,147	22,749	39,577	51,321
Rent – Note 4	2,235	2,235	10,396	10,705
Telephone	3,736	1,777	15,511	13,587
Transfer agent fees	936	989	3,358	3,140
Travel and promotion – Note 4	18,056	3,587	50,127	18,636
Web site	<u>201</u>	<u>206</u>	<u>801</u>	<u>606</u>
Loss before other items	(92,830)	(82,891)	(292,387)	(301,317)
Other items:				
Interest income	-	-	2	405
Foreign exchange gain (loss)	(67)	-	(14,489)	-
Gain on settlement of accounts payable	-	-	-	7,032
Write-off of advance receivable	-	(31,620)	-	(49,059)
Property investigation costs – Note 4	(18,804)	-	(85,086)	-
Development plan – Piskanja property - Note 4	<u>(22,500)</u>	<u>-</u>	<u>(37,800)</u>	<u>(82,681)</u>
Net loss for the period	<u>\$ (134,201)</u>	<u>\$ (114,511)</u>	(429,760)	(425,620)
Deficit, beginning of the period			<u>(8,363,807)</u>	<u>(7,784,534)</u>
Deficit, end of the period			<u>\$ (8,793,567)</u>	<u>\$ (8,210,154)</u>
Basic and diluted loss per share	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>
Weighted average number of shares outstanding	<u>35,769,390</u>	<u>33,362,037</u>	<u>35,769,390</u>	<u>33,362,037</u>

SEE ACCOMPANYING NOTES

ERIN VENTURES INC.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
for the three and nine months ended March 31, 2005 and 2004
(Unaudited)

	Three months ended March 31,		Nine months ended March 31,	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Operating Activities				
Net loss for the period	\$ (134,201)	\$ (114,511)	\$ (429,760)	\$ (425,620)
Items not affecting cash:				
Amortization	225	240	674	720
Foreign exchange loss	67	-	14,489	-
Gain on settlement of accounts payable	-	-	-	(7,032)
Accrued interest payable	<u>12,751</u>	<u>-</u>	<u>41,685</u>	<u>-</u>
	(121,158)	(114,271)	(372,912)	(431,932)
Changes in non-cash working capital accounts related to operations				
Mining tax credit	-	-	-	7,954
GST receivable	748	-	(906)	(789)
Amount receivable	(160,120)	-	(160,120)	-
Prepaid expenses	(2,625)	(918)	(1,880)	-
Accounts payable	<u>(17,181)</u>	<u>34,819</u>	<u>(67,657)</u>	<u>(33,344)</u>
	<u>(300,336)</u>	<u>(79,119)</u>	<u>(603,475)</u>	<u>(653,259)</u>
Financing Activities				
Issuance of common shares	192,499	445,712	408,499	703,782
Shares subscribed, net of fees paid	(164,499)	(124,858)	-	26,796
Notes payable	<u>-</u>	<u>1,251</u>	<u>(100,000)</u>	<u>(195,148)</u>
	<u>28,000</u>	<u>320,854</u>	<u>308,499</u>	<u>730,578</u>
Increase (decrease) in cash during the period	(272,336)	241,735	(294,976)	77,319
Cash, beginning of the period	<u>312,758</u>	<u>110,911</u>	<u>335,398</u>	<u>275,327</u>
Cash, end of the period	<u>\$ 40,422</u>	<u>\$ 352,646</u>	<u>\$ 40,422</u>	<u>\$ 352,646</u>
Supplemental disclosure of cash flow information;				
Cash paid for:				
Interest	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 19,017</u>	<u>\$ 24,436</u>
Income taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Non-cash Transactions – Note 5

SEE ACCOMPANYING NOTES

ERIN VENTURES INC.
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2005
(Unaudited)

Note 1 Interim Reporting

While the information presented in the accompanying interim 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 cash flows for the interim periods presented. It is suggested that these interim financial statements be read in conjunction with the Company's audited June 30, 2004 financial statements. These statements follow the same accounting policies and methods of their application as the Company's June 30, 2004 annual financial statements.

Note 2 Amount Receivable

During the period ended March 31, 2005, the Company advanced \$160,120 (Euro 100,000) to the Macedonian government for a potential acquisition. The Company's offer was not accepted and the Company expects the amount to be returned.

Note 3 Share Capital

a) Authorized:

Unlimited voting common shares without par value
Unlimited preferred shares without par value

b) Issued and fully paid common shares:

	<u>Number</u>	<u>Amount</u>
Balance, June 30, 2004	35,039,763	\$ 8,190,920
For cash:		
Pursuant to private placements	- at \$0.25 812,000	203,000
	- at \$0.30 693,662	208,099
Less: issue costs	-	(30,600)
Exercise of warrants	- at \$0.35 <u>80,000</u>	<u>28,000</u>
Balance, March 31, 2005	<u>36,625,425</u>	<u>\$ 8,599,419</u>

c) Commitments:

Stock-based Compensation Plan

The Company has granted directors and employees common share purchase options. These options are granted with an exercise price equal to the market price of the Company's shares on the date of the grant. Unless otherwise noted, share purchase options vest when granted.

Note 3 Share Capital – (cont'd)

c) Commitments: - (cont'd)

Stock-based Compensation Plan – (cont'd)

A summary of the stock option plan is presented below:

	Nine months ended March 31,		2004	
	2005			
	<u>Shares</u>	Weighted Average Exercise <u>Price</u>	<u>Shares</u>	Weighted Average Exercise <u>Price</u>
Outstanding at beginning of period	300,000	\$0.25	960,000	\$0.45
Expired	<u>-</u>	-	<u>(660,000)</u>	\$0.53
Outstanding at end of period	<u>300,000</u>	\$0.25	<u>300,000</u>	\$0.25

At March 31, 2005 the Company has 300,000 share purchase options outstanding entitling the holders thereof the right to purchase one common share for each option held for \$0.25 per share until January 18, 2006.

Share Purchase Warrants

At March 31, 2005 the Company has 1,505,662 common share purchase warrants outstanding entitling the holders thereof the right to purchase one common share for each warrant held as follows:

<u>Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
812,000	\$0.35	September 9, 2005
<u>693,662</u>	\$0.50	January 17, 2006
<u>1,505,662</u>		

During the nine months ended March 31, 2005 2,780,000 common share purchase warrants, previously outstanding and exercisable at \$0.50-0.75 per share, expired unexercised.

Note 4 Related Party Transactions

The Company incurred the following costs charged by directors of the Company:

	Nine months ended March 31,	
	<u>2005</u>	<u>2004</u>
Consulting fees	\$ 7,000	\$ -
Development plan – Piskanja property	10,500	15,000
Management fees	45,000	50,000
Office and miscellaneous	2,438	-
Property investigation costs	14,700	-
Travel and promotion	<u>14,538</u>	<u>2,250</u>
	<u>\$ 94,176</u>	<u>\$ 67,250</u>

The charges were measured by the exchange amount, which is the amount agreed upon by the transacting parties.

As at March 31, 2005 accounts payable includes \$Nil (June 30, 2004: \$26,217) due to directors of the Company. This amount is comprised of unpaid management fees, consulting fees and travel costs.

Note 5 Note Payable

	March 31, <u>2005</u>	June 30, <u>2004</u>
Note payable bearing interest at 12% per annum, compounded semi-annually on June 30 and December 31, unsecured and payable on demand. The interest rate increases to 18% per annum 15 days after notice of demand.	<u>\$ 453,588</u>	<u>\$ 511,903</u>

Subsequent to March 31, 2005, the Company re-negotiated the terms of the note payable to bear interest at 15% per annum effective April 1, 2005, compounded semi-annually on June 30 and December 31, and is due October 5, 2006. The interest rate increases to 22% per annum, 15 days after note is due.

Note 6 Non-cash Transactions

Investing and financing activities that do not have a direct impact on current cash flows are excluded from the statement of cash flows as follows:

During the period ended March 31, 2004:

- The Company issued 2,300,000 common shares to settle accounts payable totalling \$552,000.
- The Company overaccrued during the year ended June 30, 2003, mining tax credits in the amount of \$9,717. The mining tax credit available has been reduced by this amount and resource property costs were increased by the corresponding amount.

These transactions were excluded from the statements of cash flows.

Note 7 Subsequent Event – Note 5

Subsequent to March 31, 2005, the Company received \$351,980 with respect to a proposed private placement of 1,357,071 units at \$0.28 per unit pursuant to a private placement. Each unit consists of one common share of the Company and one common share purchase warrant to purchase one common share for each warrant held at \$0.31 per share until March 24, 2006. As at March 31, 2005, the Company had received \$28,000 with respect to this private placement for total proceeds of \$379,980. This private placement is subject to regulatory approval.