

Consolidated Income Statements

in thousands of US dollars
(unaudited)

	Three months ended Sept 30 2000	Nine months ended Sept 30 2000	Post Reorganization Three months ended Sept 30 1999	Post Reorganization Six months ended Sept 30 1999	Pre Reorganization Three months ended Mar 31 1999
Revenues	9,697	28,784	8,990	19,110	10,182
Cost of sales					
Operating costs	11,672	27,931	6,381	13,935	6,448
Depreciation, depletion and amortization	1,901	5,358	1,128	3,248	2,180
	<u>13,573</u>	<u>33,289</u>	<u>7,509</u>	<u>17,183</u>	<u>8,628</u>
	<u>(3,876)</u>	<u>(4,505)</u>	<u>1,481</u>	<u>1,927</u>	<u>1,554</u>
Expenses					
Amortization of deferred financing costs	-	-	-	-	115
Exploration	886	1,671	-	25	66
Foreign exchange loss(gain)	(235)	(207)	(52)	(239)	(109)
General and administrative	299	1,188	425	1,231	560
Interest expense	280	650	256	561	608
Interest income	(166)	(337)	(145)	(145)	(96)
	<u>1,064</u>	<u>2,965</u>	<u>484</u>	<u>1,433</u>	<u>1,144</u>
Net (loss) income for the period	<u>(4,940)</u>	<u>(7,470)</u>	<u>997</u>	<u>494</u>	<u>410</u>
Per share:					
Net (loss) earnings per share	\$ (0.16)	\$ (0.06)	\$ 0.00	\$ 0.00	\$ (0.02)
Average shares outstanding	31,123,974	125,072,296	351,356,779	351,356,779	40,856,779

Consolidated Balance Sheets

in thousands of US dollars

(unaudited)

	Sept 30 2000	Dec 31 1999
	(unaudited)	(audited)
Assets		
Current assets		
Cash and cash equivalents	6,492	3,669
Restricted cash	-	1,667
Investments in marketable securities	168	175
Bullion settlements receivable	881	2,281
Other receivables	1,065	984
Inventories	16,425	9,058
	<u>25,031</u>	<u>17,834</u>
Reclamation Sinking Fund	2,424	-
Property, plant and equipment	37,509	26,847
Deferred stripping	4,550	3,800
Other assets	38	63
	<u>69,552</u>	<u>48,544</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	9,407	6,745
Operating line of credit	2,000	1,401
Bank loan	-	1,667
Capital lease obligation	1,495	1,495
Deferred revenue	264	-
	<u>13,166</u>	<u>11,308</u>
Loans Payable to a Related Party	1,849	-
Capital lease obligation	4,112	5,234
Accrued closure costs	6,154	2,123
	<u>12,115</u>	<u>7,357</u>
	<u>25,281</u>	<u>18,665</u>
Shareholders' Equity		
Common shares	53,794	31,932
Deficit	(9,523)	(2,053)
	<u>44,271</u>	<u>29,879</u>
	<u>69,552</u>	<u>48,544</u>

Consolidated Statements of Cash Flow

in thousands of US dollars
(unaudited)

	Three months ended Sept 30 2000	Nine months ended Sept 30 2000	Post Reorganization Three months ended Sept 30 1999	Post Reorganization Six months ended Sept 30 1999	Pre Reorganization Three months ended Mar 31 1999
Net income (loss) for the period	(4,940)	(7,470)	927	494	410
Depletion, depreciation and amortization	1,901	5,358	1,128	3,248	2,180
Foreign exchange loss(gain)	(235)	(207)	(52)	(239)	-
Administrative expenses settled by issuance of common stock	-	21	-	-	-
Amortization of deferred financing costs	-	-	-	-	115
Amortization of other assets	-	-	3	7	8
Amortization of gold hedging contracts	-	-	1,155	2,373	-
Cash flow from operations	(3,274)	(2,298)	3,161	5,883	2,713
Bullion settlements receivable	362	1,400	438	977	(234)
Other receivables	(250)	(41)	(49)	45	114
Inventories	991	(1,998)	(355)	734	(4)
Accounts payable	653	1,208	389	(4,229)	(341)
Accrued closure costs	32	237	151	151	53
Cash flow provided by operating activities	(1,486)	(1,492)	3,735	3,561	2,301
INVESTING ACTIVITIES					
Purchases of property, plant and equipment	197	(383)	(110)	(317)	(339)
Settlements with contractors	-	-	733	733	-
Deferred stripping	(250)	(750)	(1,200)	(2,300)	(1,400)
Deferred revenue	(2)	264	-	-	-
Other assets - Reclamation sinking fund	(316)	(306)	19	(10)	50
Cash flow used for investing activities	(371)	(1,175)	(558)	(1,894)	(1,689)
FINANCING ACTIVITIES					
Drawdown of operating line of credit	600	600	-	-	-
Issuance of special warrants (net of issue costs)	-	5,805	-	-	-
Restricted cash	-	1,667	-	-	10,857
Principal repayments of bank loan	-	(1,667)	(1,667)	(2,667)	(11,857)
Principal repayments of capital lease	(374)	(1,122)	(373)	(747)	(844)
Cash flow provided by (used for) financing activities	226	5,283	(2,040)	(3,414)	(1,844)
FOREIGN EXCHANGE	235	207	52	239	-
Net increase (decrease) in cash and cash equivalents	(1,396)	2,823	1,163	(1,508)	(1,232)
Cash and cash equivalents, beginning of period	7,888	3,669	3,891	6,562	7,794
Cash and cash equivalents, end of period	6,492	6,492	5,054	5,054	6,562