

PACIFIC RIM MINING CORP.

(An Exploration Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

31 JULY 2001

Prepared by Management

Pacific Rim Mining Corp.
(An Exploration Stage Company)
Interim Consolidated Balance Sheet
Canadian Funds
Prepared by Management

Statement 1

ASSETS		As at 31 July 2001	As at 30 April 2001
Current	Cash and short term investments	\$ 952,815	\$ 1,341,047
	Accounts receivable	23,741	25,449
	Prepaid expenses and deposits	23,669	32,821
		<u>1,000,225</u>	<u>1,399,317</u>
Capital Assets , <i>less accumulated amortization</i>		175,120	176,733
Mineral Property Costs - <i>Schedule</i>		5,155,472	1,401,891
Investment in Salta Gold Ltd.		-	3,633,933
		<u>\$ 6,330,817</u>	<u>\$ 6,611,874</u>

LIABILITIES

Current	Accounts payable and accrued liabilities	\$ 57,566	\$ 57,473
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SHAREHOLDERS' EQUITY

Share Capital	Authorized: 100,000,000 common shares without par value		
	Issued and fully paid: 23,398,600 (23,398,600) shares	33,589,783	33,589,783
Deficit - <i>Statement 2</i>		<u>(27,316,532)</u>	<u>(27,035,382)</u>
		<u>6,273,251</u>	<u>6,554,401</u>
		<u>\$ 6,330,817</u>	<u>\$ 6,611,874</u>

ON BEHALF OF THE BOARD:

Catherine McLeod-Seltzer , Director

Bill Myckatyn , Director

Pacific Rim Mining Corp.
(An Exploration Stage Company)

Statement 2

Consolidated Statement of Changes in Shareholders' Equity
As at 31 July

Canadian Funds
Prepared by Management

	Common Shares	Amount	Deficit Accumulated	Total
Balance - 30 April 2000	21,650,570	\$ 26,864,033	\$ (17,400,502)	9,463,531
Exercise of options	37,000	56,240	-	56,240
Allotted: Special warrants	1,707,530	7,329,493	-	7,329,493
Financing costs	-	(570,711)	-	(570,711)
Loss for the period	-	-	(312,672)	(312,672)
Balance - 31 July 2000	23,395,100	\$ 33,679,055	\$ (17,713,174)	\$ 15,965,881
Balance - 30 April 2001	23,398,600	\$ 33,589,783	\$ (27,035,382)	6,554,401
Loss for the period	-	-	(281,150)	(281,150)
Balance - 31 July 2001	23,398,600	\$ 33,589,783	\$ (27,316,532)	\$ 6,273,251

See Accompanying Notes

Pacific Rim Mining Corp.
(An Exploration Stage Company)
Interim Consolidated Statement of Operations
For The Three Months Ended 31 July

Statement 3

Canadian Funds

Prepared by Management

	2001	2000
Operating Expenses		
Write-off of mineral property costs	\$ 135,645	\$ 155,800
Wages and employee benefits	77,515	86,671
Office, secretarial and bookkeeping	36,075	40,265
Professional fees	12,912	20,518
Rent	9,914	20,942
Audit and accounting	6,000	13,502
Amortization	3,260	3,552
Shareholder information	2,902	12,427
Foreign exchange loss (gain)	4,342	(21,461)
Listing and filing fees	1,400	8,001
Transfer agent fees	1,291	7,363
Travel	468	26,434
Interest and bank charges - net	<u>(10,574)</u>	<u>(61,342)</u>
Loss for the Period	(281,150)	(312,672)
Deficit - Beginning of period	<u>(27,035,382)</u>	<u>(17,400,502)</u>
Deficit - End of Period	\$ (27,316,532)	\$ (17,713,174)
Loss per Share - Basic	\$ (0.01)	\$ (0.24)

See Accompanying Notes

Pacific Rim Mining Corp.
(An Exploration Stage Company)
Interim Consolidated Statement of Cash Flow
For The Three Months Ended 31 July

Statement 4

Canadian Funds

Prepared by Management

	2001	2000
Operating Activities		
Loss for the period	\$ (281,150)	\$ (312,672)
Items not affecting cash:		
Amortization	3,260	3,552
Write-off of mineral property costs	135,645	155,800
	<u>(142,245)</u>	<u>(153,320)</u>
Changes in:		
- Accounts receivable	1,708	(7,241)
- Prepaid expenses	9,152	6,409
- Accounts payable	93	(323,083)
Cash used in operating activities	<u>(131,292)</u>	<u>(477,235)</u>
Investing Activities		
Mineral property costs	(255,292)	(1,330,388)
Purchase of capital assets	(1,648)	-
Investment in Salta Gold Ltd.	-	(1,811)
Cash used in investing activities	<u>(256,940)</u>	<u>(1,332,199)</u>
Financing Activities		
Share capital issued	-	56,240
Share capital allotted	-	6,758,782
Cash received in financing activities	<u>-</u>	<u>6,815,022</u>
Net Increase (Decrease) in Cash Position	(388,232)	5,005,588
Cash position - Beginning of period	<u>1,341,047</u>	<u>1,347,676</u>
Cash Position - End of Period	\$ 952,815	\$ 6,353,264

Supplemental Schedule of Non-Cash Transactions:

Transfer of Investment in Salta Gold Ltd. to Mineral Property Costs	3,633,933
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See Accompanying Notes

Pacific Rim Mining Corp.
(An Exploration Stage Company)
Interim Consolidated Schedule of Mineral Property Costs
For The Three Months Ended 31 July

Schedule

Canadian Funds

Prepared by Management

	2001	2000
Direct		
South American Properties		
Various claims - Investigation costs	\$ 135,641	\$ 155,800
Diablillos	119,651	-
San Francisco Claims	-	19,375
Luicho	-	1,090,164
Prometedora Claims	-	38,585
Sol Brillante Claims	-	32,970
Costs for the Period	255,292	1,181,094
Balance - Beginning of period	1,401,891	4,698,216
Transfer of Investment in Salta Gold Ltd. to mineral property	3,633,933	-
Write-off of mineral property costs	(135,644)	(155,800)
Balance - End of Period	\$ 5,155,472	\$ 5,723,510

See Accompanying Notes

Pacific Rim Mining Corp.
(An Exploration Stage Company)
Notes to Interim Consolidated Financial Statements
31 July 2001
Prepared by Management

1. Significant Accounting Policies

The notes to the consolidated financial statements as at 30 April 2001, as set forth in the company's 2001 Annual Report substantially apply to these interim consolidated financial statements and are not repeated here.

2. Interim Consolidated Financial Statements Adjustments

The financial information given in the accompanying unaudited interim consolidated financial statements reflects all adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim periods reported. All such adjustments are of a normal recurring nature. All financial statements presented herein are prepared by management.

3. Mineral Property Costs

28 June 2001, the company repurchased 70% interest and one share of Pacific Rim Mining Corp. Argentina S.A. at a nominal amount, thereby restoring the company's ownership in Salta Gold Ltd. to 100% ("Salta"). The major asset of Salta at the date of repurchase is the Diablillos mineral property in Argentina, which has had approximately \$ 16,000,000 in exploration expenditures incurred to date. The company has transferred its Investment in Salta Gold Ltd. to mineral property costs during the current period.

4. Share Capital

During the current quarter the company issued 1,463,800 stock options exercisable at \$ 0.29 per share.