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INCORPORATED AS PART OF:

 X Schedule A
 Schedules B and C

ISSUER DETAILS

NAME OF ISSUER	FOR QUARTER ENDED	DATE OF REPORT YY/MM/DD
Goldrea Resources Corp.	April 30, 2003	2003-06-27

ISSUER'S ADDRESS

#2A – 15782 Marine Drive

CITY	PROVINCE	POSTAL CODE	ISSUER FAX NO.	ISSUER TELEPHONE NO.
White Rock	BC	V4B 1E6	(604) 531-9634	(604) 531-9639
CONTACT PERSON		CONTACT'S POSITION		CONTACT TELEPHONE NO.
Teresa Piorun		Executive Administrator		(604) 531-9639
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Info@goldrea.com			WWW.goldrea.com	

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.

DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD
"Larry W. Reaugh"	Larry W. Reaugh	2003-06-27
DIRECTOR'S SIGNATURE	PRINT FULL NAME	DATE SIGNED YY/MM/DD
"John Chapman"	John Chapman	2003-06-27

GOLDREA RESOURCES CORP.
CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

April 30, 2003 and 2002

GOLDREA RESOURCES CORP.
Consolidated Balance Sheets

	April 30 2003 (Unaudited)	July 31 2001 (Audited)
ASSETS		
Current		
Cash	\$ 171,836	\$ 66,993
Accounts receivable	4,001	7,572
	175,837	74,565
Share Subscriptions Receivable	4,648	—
Due From Related Parties (Note 3)	187,164	142,125
Reclamation Deposits	14,968	22,018
Prepaid Expenses	9,223	—
Marketable Securities (Note 5)	5,500	—
Capital Assets (Note 4)	6,404	2,457
Mineral Properties (Note 5)	519,420	314,827
	\$ 923,164	\$ 555,992
LIABILITIES		
Current		
Accounts payable	\$ 30,378	\$ 44,197
Due to related parties (Note 3)	—	12,213
	30,378	56,410
SHAREHOLDERS' EQUITY		
Share Capital (Note 6)	9,468,655	8,666,858
Share Subscriptions	—	53,250
Deficit	(8,575,869)	(8,220,526)
	892,786	499,582
	\$ 923,164	\$ 555,992

See Notes to the Consolidated Financial Statements

GOLDREA RESOURCES CORP.
Consolidated Statements of Operations and Deficit
For the Nine and Three Months Ended April 30, 2003 and 2002
(Unaudited)

Three Months Ended		Nine Months Ended	
2003	2002	2003	2002
		Revenue	
\$ <u>6</u>	\$ <u>3</u>	Interest	\$ <u>12</u> <u>8</u>
		Expenses	
29,244	—	Advertising and promotion	115,284 —
471	161	Amortization	725 483
32,735	3,600	Consulting	70,298 19,952
79	394	Equipment lease	200 688
10,500	10,500	Management fees	31,500 31,500
10,129	5,770	Office and administration	13,822 18,177
10,472	6,833	Professional fees	32,409 15,093
(7,727)	—	Property investigation	— —
450	1,922	Rent	1,350 2,622
395	—	Seminars and Conferences	10,881 —
—	1,749	Shareholder communication	20 2,080
13,367	—	Travel and accommodation	30,351 1,012
4,465	8,137	Trust and filing fees	16,540 12,940
<u>104,580</u>	<u>39,066</u>		<u>323,380</u> <u>104,547</u>
(104,574)	(39,063)	Loss Before Other Items	(323,368) (104,539)
		Other Items	
(44,832)	(2,001)	Write down of mineral property costs, net of recoveries (Note 5)	(44,832) (11,752)
12,857	—	Mineral property option payments received (Note 5)	12,857 —
<u>(136,549)</u>	<u>(41,064)</u>	Net Loss For The Period	(355,343) (116,291)
<u>(8,439,320)</u>	<u>(8,154,598)</u>	Deficit, Beginning Of Period	<u>(8,220,526)</u> <u>(8,079,371)</u>
\$ <u>(8,575,869)</u>	\$ <u>(8,195,662)</u>	Deficit, End Of Period	\$ <u>(8,575,869)</u> \$ <u>(8,195,662)</u>
\$ <u>(0.015)</u>	\$ <u>(0.020)</u>	Loss Per Share – Basic	\$ <u>(0.046)</u> \$ <u>(0.057)</u>

See Notes to the Consolidated Financial Statements

GOLDREA RESOURCES CORP.
Consolidated Statements of Cash Flows
For the Nine and Three Months Ended April 30, 2003 and 2002
(Unaudited)

Three Months Ended		Nine Months Ended	
2003	2002	2003	2002
Cash Flows From Operating Activities			
\$ (136,549)	\$ (41,064)	\$ (355,343)	\$ (116,291)
471	161	725	483
44,832	2,001	44,832	11,752
<u>(91,246)</u>	<u>(38,902)</u>	<u>(309,786)</u>	<u>(104,056)</u>
Changes in non-cash working capital balances:			
14,512	2,275	3,571	170
(53,598)	(30,669)	(13,819)	9,106
(1,223)	—	(9,223)	—
<u>(131,555)</u>	<u>(67,296)</u>	<u>(329,257)</u>	<u>(94,780)</u>
Cash Flows From Investing Activities			
(81,433)	(2,001)	(204,226)	(12,773)
15,500	—	15,500	—
(1,602)	—	(4,672)	—
—	—	(5,500)	—
<u>(67,535)</u>	<u>(2,001)</u>	<u>(198,898)</u>	<u>(12,773)</u>
Cash Flows From Financing Activities			
15,000	50,000	741,097	50,000
7,050	—	7,050	—
(38,133)	1,256	(57,251)	48,749
2,500	10,350	(57,898)	10,350
<u>(13,583)</u>	<u>61,606</u>	<u>632,998</u>	<u>109,099</u>
(212,673)	(7,691)	104,843	1,546
384,509	8,077	66,993	(1,160)
\$ <u>171,836</u>	\$ <u>386</u>	\$ <u>171,836</u>	\$ <u>386</u>

Supplemental Information on Non-Cash Investing and Financing Activities

During the period ended April 30, 2003, non-cash transactions included 199,000 shares issued for property for total deemed proceeds of \$60,700. During the period ended April 30, 2002, non-cash transactions included 2,234,851 shares issued for debt for deemed proceeds of \$223,485.

See Notes to the Consolidated Financial Statements

GOLDREA RESOURCES CORP.
Consolidated Statements of Mineral Property Costs
For the Nine Months Ended April 30, 2003
(Unaudited)

	July 31, 2002	Net Expenditures	Write-Offs	April 30, 2003
CANADA – British Columbia				
<u>BX/Eskay Creek</u>				
Acquisition	\$ 1,000	\$ 640	\$ —	\$ 1,640
Option payments received	—	(2,643)	—	(2,643)
Equipment rentals	—	236	—	236
Engineering and geological	3,652	(2,996)	—	656
Freight and transportation	—	112	—	112
	4,652	(4,651)	—	1
<u>Dobbin</u>				
Acquisition	3,261	—	—	3,261
Assay and recording fees	40,347	—	—	40,347
Camp and supplies	17,439	—	—	17,439
Drilling	185,336	—	—	185,336
Engineering and geological	65,805	450	—	66,255
Equipment rentals and purchases	17,961	—	—	17,961
Property maintenance fees	620	—	—	620
Write down provision	(69,824)	—	—	(69,824)
	260,945	450	—	261,395
<u>Crowsnest</u>				
Acquisition	—	16,460	—	16,460
Assay and recording fees	—	360	—	360
Camp and supplies	—	321	—	321
Drilling	—	54,518	—	54,518
Engineering and geological	—	8,220	—	8,220
Equipment rentals	—	16,988	—	16,988
	—	96,867	—	96,867
<u>Howell</u>				
Acquisition	—	15,220	—	15,220
Assay and recording fees	437	6,223	—	6,660
Camp and supplies	—	36	—	36
Drilling	—	24,536	—	24,536
Engineering and geological	48,793	16,969	—	65,762
Equipment rentals	—	9,160	—	9,160
Freight and transportation	—	808	—	808
	49,230	72,952	—	122,182
U.S.A.				
<u>Goldchain – Arizona</u>				
Acquisition	—	38,975	—	38,975
<u>Pine Tree/Josephine - California</u>				
Acquisition	—	14,829	(14,829)	—
Engineering and geological	—	28,190	(28,190)	—
Travel	—	1,813	(1,813)	—
	—	44,832	(44,832)	—
Total Mineral Property Costs	\$ 314,827	\$ 249,425	\$ (44,832)	\$ 519,420

See Notes to the Consolidated Financial Statements

GOLDREA RESOURCES CORP.

Notes to Consolidated Financial Statements

April 30, 2003

(Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company, directly and through joint ventures, is involved in the acquisition, exploration and development of mineral properties and is currently in the exploratory stage of development of its mineral properties. The underlying value of these mineral properties and their related deferred costs is dependent upon confirmation of the Company's interest in the underlying claims and the existence of economically recoverable mineral reserves.

These financial statements have been prepared assuming the Company will continue as a going concern basis. The Company has incurred losses since inception. The ability of the Company to continue as a going concern depends upon its ability to develop profitable operations and to raise adequate financing to eliminate its working capital deficiency.

There can be no assurance that the Company will be able to continue to raise funds, in which case, the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the balance sheet.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Mineral Properties and Deferred Costs

The cost of mineral properties and related exploration and development expenditures are deferred until the properties are placed into production, sold or abandoned. These costs will be amortized over the estimated useful life of the properties following the commencement of production or written off if the properties are sold, allowed to lapse, or abandoned.

Cost includes the cash consideration and the fair market value of shares as they are issued, if any, on the acquisition of mineral properties. Properties acquired under option agreements whereby payments are made at the sole discretion of the Company are recorded in the accounts at such time as the payments are made. The proceeds from options granted are applied to the cost of the related property, and any excess is included in income for the year.

The recorded cost of mineral claims and deferred exploration and development costs represent costs incurred and are not intended to reflect present or future values. The ultimate recovery of such capitalized costs is dependent upon the discovery and development of economic ore reserves or the sale of mineral rights.

b) Principles of Consolidation

These financial statements include the accounts of the Company and its wholly owned subsidiary, Apollo Resources Inc., which is incorporated in the State of Alaska, U.S.A.

c) Joint Ventures

The Company accounts for its investments in joint ventures using the proportionate consolidation method.

GOLDREA RESOURCES CORP.

Notes to Consolidated Financial Statements

April 30, 2003

(Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d) Capital Assets

Capital assets consist of office furniture and equipment, computer equipment and mining equipment, which are recorded at cost, and amortized on the declining balance basis at rates of 20%, 30% and 20% per annum, respectively.

e) Translation of Foreign Currency

The accounts of foreign operations are translated into Canadian dollars as follows: monetary assets and liabilities at the rates of exchange prevailing at the balance sheet dates; other assets and liabilities at applicable historical exchange rates; revenues and expenses at the average rate of exchange for the year except for non-monetary expenses which are at the rates used for the translation of the related assets; foreign exchange translation gains and losses are included in earnings.

f) Measurement Uncertainty

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the continuing viability of mineral property interests and the determination of reclamation obligations and rates for amortization. Actual results could differ from these estimates.

g) Financial Instruments

The carrying amounts for cash, accounts receivable, accounts payable, and amounts due to and from related parties approximate their fair market value because of the limited term of these instruments. Fair value estimates are made at the balance sheet date, based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties in significant matters of judgement and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

h) Stock Option Plan

The Company has a discretionary stock option plan (Note 6) for which no compensation expense is recognized when the stock options are granted to directors, officers, employees or advisors. Any consideration paid by the directors, officers, employees or advisors on the exercise of stock options or purchase of common shares is credited to capital stock. If common shares or stock options are purchased from directors, officers, employees or advisors, the excess of the consideration paid over the carrying amount of the common shares or stock option granted will be charged to operations.

i) Loss Per Share

Loss per share has been calculated using the weighted average number of common shares outstanding during the year. Diluted loss per share has not been disclosed due to its anti-dilutive effect on loss per share.

GOLDREA RESOURCES CORP.

Notes to Consolidated Financial Statements

April 30, 2003

(Unaudited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) Income Taxes

The Company accounts for and measures future tax assets and liabilities in accordance with the liability method.

Under the liability method, future tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment of the change. When the future realization of income tax assets does not meet the test of being more likely than not to occur, a valuation allowance in the amount of the potential future benefit is taken and not net asset is recognized. Such an allowance applies fully to all potential income tax assets of the Company.

k) Accounting Principles

The interim financial statements follow the same accounting policies and methods as the audited financial statements at July 31, 2002.

3. RELATED PARTY TRANSACTIONS

Amounts due to and from companies with common directors and to officers and directors are interest free, unsecured, have no specified terms of repayment and have arisen from the provision of services and expense reimbursements or advances described.

The Company has directors in common with Molycor Gold Corporation ("Molycor"), Stirrup Creek Gold Ltd. ("Stirrup") and Ameridex Minerals Corporation ("Ameridex").

The Company and Molycor are 50/50 joint venture partners in the Dobbin Property.

The Company, Molycor, Stirrup and the President of the Company are equal shareholders in Raven Drilling Inc. ("Raven"); a private company formerly controlled by the President, collectively holding 50% of Raven's shares. Raven has supplied drilling services to the Company's British Columbia properties.

The President of the Company and an individual related to him and a private company controlled by him owe an aggregate of \$10,047 (2002 – owed \$296). The President charged \$31,500 in management fees during the nine-month period, and this amount was credited against his outstanding balance owing to the Company.

The Company paid \$10,817 to a company owned by an officer for accounting fees; an officer charged \$10,800 for consulting fees during the quarter; and a director charged \$750 for geological consulting fees during the period.

GOLDREA RESOURCES CORP.

Notes to Consolidated Financial Statements

April 30, 2003

(Unaudited)

4. CAPITAL ASSETS

	April 30, 2003			July 31, 2002
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Office equipment	\$ 9,440	\$ (8,287)	\$ 1,153	\$ 1,310
Furniture and fixtures	10,301	(9,188)	1,113	980
Computer equipment	9,754	(5,616)	4,138	167
	<u>\$ 29,495</u>	<u>\$ (23,091)</u>	<u>\$ 6,404</u>	<u>\$ 2,457</u>

5. MINERAL PROPERTIES

British Columbia, Canada

Dobbin Property, Nicola and Vernon Mining Divisions

The Company and Molycor Gold Corporation ("Molycor") each have a 50% interest in twenty-four mineral claims and the Company has a 50% interest in a further twenty claims, all acquired by staking.

Eskay Creek/ BX Property, Liard Mining Division

During the year ended July 31, 2002, the Company acquired by staking a 100% interest in 36 gold claims located approximately 48 kilometres southwest of Bob Quinn Lake, British Columbia.

The Company entered into an agreement with Amador Gold Corp. (formerly Parkside 2000 Resources) ("Amador"), for Amador to explore and develop the 36 unit, BX 1-2 claims, located in the Liard mining division, 48 kilometres southwest of Bob Quinn Lake, B.C.

Under the terms of the agreement, Amador may earn a 50% interest over a five-year option period. To earn the 50% interest, Amador must make total payments of \$100,000, issue 450,000 shares and expend \$1,100,000 on the property.

During the nine-month period, the Company received 50,000 shares of Amador and recorded them at the market value on the date of issuance (\$5,500).

Subsequent to the period, Amador has decided not to make the cash and share payments due in May 2003, and as such is in default and has notified the Company that it is terminating the agreement effective immediately. Amador will retain its 10-per-cent interest, earned as a result of exploration expenditures.

Subsequent to the period, subject to regulatory approval, the Company and International Chalice Resources Inc. ("Chalice") (an arm's length company) have entered into an option agreement for Chalice to explore and develop the BX 1-9 and BX 10 claims, held by the Company.

GOLDREA RESOURCES CORP.

Notes to Consolidated Financial Statements

April 30, 2003

(Unaudited)

5. MINERAL PROPERTIES, *continued*

British Columbia, Canada, *continued*

Eskay Creek/ BX Property, Liard Mining Division

Under the terms of the agreement, Chalice may earn a 40-per-cent interest over a four year option period by making total cash payments of \$90,000, issuing a total of 400,000 shares and completing a total work program of \$950,000.

Howell and Crowsnest Projects

Eastfield Resources Corp. ("Eastfield") and the Company entered into an option agreement for the Company to explore and develop the Crowsnest and Howell gold projects located in the Fort Steele Mining Division, 50 kilometres south of Fernie, in southwestern British Columbia. The two properties encompass 267 claim units and are essentially contiguous. They are 100% owned by Eastfield subject to separate underlying agreements: Crowsnest from an agreement with a private corporation and Howell from an agreement with Placer Dome Limited and Teck Cominco Mines Limited.

Under the terms of the option, the Company may earn a 55% interest in one or both of the properties.

The five-year option conveys rights on both properties for the first two years in return for payments of \$35,000; issuance of 140,000 shares, and work commitments totalling \$300,000; and then allows the Company to continue with one or both properties at its discretion. To earn a 55% interest in either Crowsnest or Howell, the Company must make total payments of a further \$100,000; make further share issuances of 200,000 shares and make additional work commitments of \$1,100,000 over the next three years of the agreement term. In total, to earn a 55% interest on both properties, the Company must make total payments of \$235,000, issue 540,000 shares and expend \$2,500,000 on the properties. The initial share issuance of 90,000 shares occurred during the current period and a first year work commitment of \$150,000 has been set. The Company is also responsible for a finder's fee equal to 10% of the first two year's property payments and exploration expenditures. (9,000 shares were issued during the period).

U.S.A.

Goldchain Claims, Mojave County, Arizona, U.S.A.

The Company entered into an agreement to purchase the Goldchain group of eight claims located in Mojave County, Arizona. Under the terms of the agreement the Company has purchased a 100% interest in the property for \$5,000 and issuance of 100,000 common shares to the two individuals. The Company received regulatory approval for this agreement, and issued 100,000 common shares during the period.

GOLDREA RESOURCES CORP.

Notes to Consolidated Financial Statements

April 30, 2003

(Unaudited)

5. MINERAL PROPERTIES, *continued*

U.S.A., continued

Pine Tree - Josephine Property, Mariposa, California

During March 2003, the Company entered into an agreement with an arms length company in California to purchase approximately 3,350 acres located 15 miles north of Mariposa, California. The property has all surface and mineral rights incorporated in the title and contains the Pine Tree - Josephine Gold open-pit deposits.

New regulations in California require "mining companies to refill new open-pit metal mines and flatten mine waste piles back to nearly the natural landscape." This new law could severely hamper the economics of the property. The company conducted due diligence to determine the effects of these new regulations.

In the opinion of management, the recent regulations enacted by the State of California have virtually curtailed future open pit mining within the State. As a result, subsequent to the period, the Company terminated its option on the property. During the current period, all costs related to the acquisition and due diligence were written off.

6. SHARE CAPITAL

Authorized:

100,000,000 common shares without par value

Issued:

	<u>Number of Shares</u>	<u>Amount</u>
Balance, July 31, 2001	20,399,506	\$ 8,153,724
Shares consolidated 1 new for 10 old	(18,359,556)	—
Post consolidated opening balance	<u>2,039,950</u>	<u>8,153,724</u>
Shares issued for cash		
Private placement - \$0.10	500,000	50,000
Private placement - \$0.17	1,431,760	243,399
Share subscriptions receivable	—	(10,000)
Shares issued for settlement of debt - \$0.10	2,234,851	223,485
Shares issued for property - \$0.25	<u>25,000</u>	<u>6,250</u>
Balance, July 31, 2002	<u>6,231,561</u>	<u>\$ 8,666,858</u>

Continued

GOLDREA RESOURCES CORP.

Notes to Consolidated Financial Statements April 30, 2003 (Unaudited)

6. SHARE CAPITAL, *continued*

	Number of Shares	Amount
Issued, <i>continued</i> :		
Balance, July 31, 2002	6,231,561	\$ 8,666,858
Shares issued for cash		
Private placement - \$0.30	248,000	74,400
Share subscriptions receivable (received during the period)	—	10,000
Shares issued for property - \$0.30	99,000	29,700
Shares issued for property - \$0.31	100,000	31,000
Private placement - \$0.27	207,000	55,890
Private placement - \$0.25	110,000	27,500
Private placement - \$0.20	155,580	31,116
Private placement - \$0.25	565,000	141,250
Brokered Private placement - \$0.20 (net of costs)	2,000,000	363,000
Commission shares issued	100,000	—
Warrants Exercised - \$0.22	58,823	12,941
Warrants Exercised - \$0.10	250,000	25,000
	10,124,964	\$ 9,468,655
Balance April 30, 2003		

The following table summarizes information about stock options outstanding as at April 30, 2003:

Range of Exercise Prices	Options Outstanding			Options Exercisable	
	Number of Options	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
\$ 0.31	827,000	4.4 years	\$ 0.31	827,000	\$ 0.31

Share purchase warrants outstanding at April 30, 2003:

Number of Shares	Price Per Share	Expiry Date
49,000	\$1.20	August 29, 2003
250,000	\$0.10/\$0.12	April 19, 2003/2004
1,372,937	\$0.22/\$0.25	June 4, 2003/2004
248,000	\$0.30/\$0.35	Oct. 17, 2003/2004
207,000	\$0.27/\$0.31	Dec. 12, 2003, 2004
2,000,000	\$0.25	Dec. 12, 2004
80,000	\$0.24	June 12, 2005
155,580	\$0.25	Jan. 12, 2005
110,000	\$0.30	Jan. 13, 2005
565,000	\$0.25	Jan 13, 2005
5,037,517		

GOLDREA RESOURCES CORP.

Notes to Consolidated Financial Statements

April 30, 2003

(Unaudited)

6. SHARE CAPITAL, *continued*

During the year ended July 31, 2002, the Company consolidated its share capital on a one for ten basis. As part of the Company's reorganization the Company changed its name to "Goldrea Resources Corp."

To July 31, 2002 the Company settled debt in the amount of \$223,485 by the issuance of 2,234,851 post-consolidated common shares at a price of \$0.10 per share

In fiscal 2002, the Company completed a private placement of 500,000 units (post consolidation) at a price of \$0.10 per unit realizing proceeds of \$50,000. Each unit was comprised of one common share and one two year share purchase warrant. Each share purchase warrant entitled the holder to purchase one common share at a price of \$0.10 for the first year and at \$0.12 in the second year. The Company also closed a private placement consisting of 1,431,760 units at \$0.17 per unit. Each unit consisted of one common share of the company and one two-year share purchase warrant. Each share purchase warrant entitles the holder to purchase one common share at a price of \$0.20 in the first year and at \$0.25 in the second year.

During the year ended July 31, 2002 the Company issued 25,000 shares to the vendor of the Pongo Property for option obligations the Company failed to meet under the agreement. The shares were recorded at a price of \$0.25 per share.

During the current period, the Company entered into an agreement to purchase the Goldchain group of eight claims and issued 100,000 common shares to two individuals as agreed.

The Company issued 248,000 common shares at a price of \$0.30 per share on the completion of a private placement of 248,000 units. Each unit comprised one common share and one share purchase warrant entitling the holder to acquire one additional common share for each warrant held at a price of \$0.30 per share in the first year, and \$0.35 per share in the second year.

During the current period, the Company conducted a brokered private placement of two million units at a price of \$0.20 per unit. Each unit consisted of one common share and one share purchase warrant. Each warrant entitles the holder to acquire an additional common share for \$0.25 per share for a period of one year. The broker received an 8% commission and also received agent's warrants, equal to 20 percent of the units placed, exercisable at \$0.24 for 18 months. The broker also received a \$12,500 administration fee and a corporate finance fee of 20,000 shares.

Also during the current period, the Company closed a private placement consisting of 207,000 units at \$0.27 per unit. Each unit consisted of one common share and a two-year share purchase warrant to acquire an additional share for \$0.27 in the first year and at \$0.31 in the second year.

The Company received regulatory approval and closed three additional private placements consisting of 830,580 units. Total proceeds to the company were \$199,866. Each unit consists of one common share and one share purchase warrant. The share purchase warrants entitle the holder to purchase an additional common share of the company for prices ranging \$0.25 - \$0.30 per share expiring January 2005.

GOLDREA RESOURCES CORP.

Notes to Consolidated Financial Statements

April 30, 2003

(Unaudited)

7. INCOME TAX

A reconciliation of income taxes at statutory rates to the Company's effective income tax expense as at July 31, 2002 is as follows:

	<u>2002</u>	<u>2001</u>
Loss for the year	\$ (141,155)	\$ (512,986)
Statutory tax rate	43.0%	45.6%
Expected income tax provision	\$ (60,697)	\$ (233,922)
Non-Deductible differences	\$ 43,676	\$ 206,093
Unrecognized tax losses	\$ 17,020	\$ 27,827
Income tax provision	\$ -	\$ -

The Company has Canadian non-capital losses of approximately \$495,000 available to offset future taxable income in Canada, which expire between 2003 and 2009. The potential tax benefits of these losses have not been recognized as realization is not considered more likely than not.

The Company has \$2,551,537 of accumulated exploration and development costs available for deduction against future income for tax purposes. No benefit has been recognized in respect of these amounts, which may be carried forward indefinitely

8. SUBSEQUENT EVENTS

Subsequent to the period, the company:

Issued 50,000 shares pursuant to a property agreement for the Howell/Crowsnest property and 5,000 for property finders' fees for total deemed proceeds of \$5,500.

9. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for in the current period.