

GOLD-ORE RESOURCES LTD.

INTERIM FINANCIAL STATEMENTS (Unaudited)

**For the Period Ending
May 31, 2002**

GOLD-ORE RESOURCES LTD.
Schedule A

**BALANCE SHEET
AS AT MAY 31, 2002**

	ASSETS	May 31, 2002	November 30, 2001
		\$	\$
Current Assets			
Cash		1,480	8,545
Accounts Receivable		3,019	7,490
		<hr/> 4,499	<hr/> 16,035
Capital Assets [Note 3]		<hr/> 928	<hr/> 1,092
Other Assets			
Property Acquisition Costs [Note 4]		73,003	79,365
Deferred Exploration Costs [Note 4]		432,597	432,597
		<hr/> 505,600	<hr/> 511,962
		<hr/> <hr/> 511,027	<hr/> <hr/> 529,089
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Accounts Payable and Accrued Liabilities		<hr/> 31,062	<hr/> 34,531
Shareholders' Equity			
Capital Stock [Note 5]		1,025,769	1,025,769
Deficit		<hr/> (545,804)	<hr/> (531,211)
		<hr/> 479,965	<hr/> 494,558
		<hr/> <hr/> 511,027	<hr/> <hr/> 529,089

Unaudited

GOLD-ORE RESOURCES LTD.

Schedule A

**STATEMENT OF OPERATIONS AND DEFICIT
FOR THE PERIOD ENDING MAY 31, 2002**

	Three Mos. March 1 - May 31 2002	Six Months Ended May 31, 2002	Three Mos. March 1 - May 31, 2001	Six Months Ended May 31, 2001
	\$	\$	\$	\$
Exploration Expenses				
Assaying	36	36	348	6,784
Consulting	28,728	35,191	25,717	47,747
Drilling	181,627	181,627	-	93,251
Field Equipment and Supplies	3,968	3,968	-	740
Field Labour	10,047	10,047	-	3,216
Field Office	6,630	6,967	2,134	4,039
Licenses, Taxes and Permits	2,981	2,981	-	3,713
Travel and Accommodation	6,864	11,456	2,465	4,984
Trenching	14,866	14,866	-	6,260
Vehicles and Fuel	4,019	5,118	1,309	4,887
	<u>259,766</u>	<u>272,257</u>	<u>31,973</u>	<u>175,621</u>
Recovery [Note 4]	(269,378)	(269,378)	-	-
	<u>(9,612)</u>	<u>2,879</u>		
Administration Expenses				
Accounting & Legal	2,746	2,746	2,570	15,413
Amortization	164	164	-	-
Filing and Transfer Agent Fees	2,836	7,182	1,371	6,137
Office, Rent, and Printing	2,310	4,359	-	5,778
Travel and Promotion	-	-	-	1,499
Less: Interest Income	-	-	(203)	(630)
	<u>8,056</u>	<u>14,451</u>	<u>3,738</u>	<u>28,197</u>
Prior Period Adjustments [Note 4]	62,034	-	(14,534)	(648)
Foreign Exchange Loss (Gain)	(2,737)	(2,737)	1,307	1,748
	<u>59,297</u>	<u>(2,737)</u>	<u>(13,227)</u>	<u>1,100</u>
Net Loss for the Period	57,741	14,593	22,484	204,918
Deficit - Beginning of Period	488,063	531,211	674,026	491,592
Deficit - End of Period	<u>545,804</u>	<u>545,804</u>	<u>696,510</u>	<u>696,510</u>
Loss per Share	(0.01)	(0.01)	(0.01)	(0.02)

Unaudited

GOLD-ORE RESOURCES LTD.
Schedule A

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDING MAY 31, 2002**

	Three Mos. March 1 - May 31, 2002	Six Months Ended May 31, 2002	Three Mos. March 1 - May 31, 2001	Six Months Ended May 31, 2001
	\$	\$	\$	\$
Operating Activities				
Net Loss For The Period	(57,741)	(14,593)	(22,484)	(204,918)
Items not involving cash				
Amortization	164	164	-	-
Change in non-cash working capital items				
Accounts Receivable & Prepaids	47,928	4,471	(57)	(8,561)
Accounts Payable	(10,368)	(3,469)	(10,714)	20,247
	<u>(20,017)</u>	<u>(13,427)</u>	<u>(33,255)</u>	<u>(193,232)</u>
Financing Activities				
Capital Stock Issued For Cash	-	-	-	197,200
	<u>-</u>	<u>-</u>	<u>-</u>	<u>197,200</u>
Investing Activities				
Property Acquisition	6,362	6,362	(5,537)	(7,766)
Deferred Exploration Expenses	-	-	-	-
Prepaid Exploration Expenses	-	-	379	-
Reclamation Bond	-	-	2,000	2,000
	<u>6,362</u>	<u>6,362</u>	<u>(3,158)</u>	<u>(5,766)</u>
Increase (Decrease) in Cash	(13,655)	(7,065)	(36,413)	(1,798)
Cash – Beginning of Period	<u>15,135</u>	<u>8,545</u>	<u>37,670</u>	<u>3,055</u>
Cash – End of Period	<u>1,480</u>	<u>1,480</u>	<u>1,257</u>	<u>1,257</u>

Unaudited

1. NATURE OF OPERATIONS

Gold-Ore Resources Ltd. ("the Company") was incorporated on October 22, 1996 under the Business Corporations Act (Alberta). On December 16, 1996 the Company was extra-provincially registered under the Company Act of British Columbia.

The Company is a mineral exploration company engaged in the acquisition, exploration and development of mineral properties. The Company has not yet determined whether all of these properties contain ore reserves that are economically recoverable.

The recoverability of carrying amounts for mineral claims and options and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and future profitable production or proceeds from the disposition thereof. It is reasonably possible that economically recoverable reserves may not be discovered and accordingly a material portion of the carrying value of mineral claims and options and related deferred exploration costs could be written-off.

2. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses for the period reported. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Cash and equivalents

The balance in cash and short-term investments consists of cash in bank accounts and short-term deposits with maturity dates of less than three months.

Mineral claims, options and deferred exploration costs

The Canadian Institute of Chartered Accountants has released Accounting Guideline 11 – Enterprises in the Development Stage. This guideline is effective for all fiscal years beginning on or after April 1, 2000. The Company believes that the application of this guideline will have a significant negative effect on the current carrying value of both Mineral claims and options and Deferred exploration and development costs.

An impairment may occur in the carrying value of mineral interests when one of the following conditions exists:

- [i] the enterprise's work program on a property has significantly changed, so that previously identified resource targets or work programs are no longer being pursued;
- [ii] exploration results are not promising and no more work is being planned in the foreseeable future; or
- [iii] remaining lease terms are insufficient to conduct necessary studies or exploration work.

Once an impairment has been determined then a portion of the carrying value will be written down to net realizable value.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

On January 1, 2001, the Company adopted the requirements of Accounting Guideline 11, Enterprises in the Development Stage ("AcG-11") issued by the Canadian Institute of Chartered Accountants. Under AcG-11, exploration expenditures related to mineral properties are deferred only if it is probable that these costs will be recovered from future operations otherwise they are recorded as an expense in the period in which they are incurred. Acquisition costs for mineral properties are deferred until it is determined that these costs will not be recovered from future operations, at which point these costs are written off.

Capital assets

Capital assets are stated at cost. Amortization is provided on computer equipment utilizing the declining balance basis at 30% per annum.

Share issuance costs

Costs relating to issuing shares are deducted from the related share issuance proceeds.

3. CAPITAL ASSETS

		May 31, 2002		2001
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Computer equipment	3,746	2,818	928	1,092

4. MINERAL CLAIMS AND OPTIONS

[a] San Marcial Silver Property-Sinaloa, Mexico

Pursuant to an Option and Joint Venture Agreement dated February 16, 2000 and amended March 28, 2001 and February 20, 2002, the Company acquired an option to earn a 100% interest in the San Marcial Silver Property (the "Property") in Sinaloa, Mexico. The Property, 90 kilometres east of Mazatlan, consists of two concessions covering 1,250 hectares. The Property is subject to a 3% Net Smelter Returns Royalty, which can be bought out at US\$600,000 per percentage point. In relation to this agreement, the Company has paid a finders fee of US\$10,000 and issued 20,000 common shares at \$0.35 per share. The Company also issued an additional 30,000 shares at \$0.16 per share to the finder on August 15, 2001. When the property goes into production, the Company is to make a final payment of US\$100,000 in cash or equivalent in common shares. In order to exercise the option, the Company must make the following cash payments and incur the following exploration expenditures (all in US dollars):

- [i] By February 4, 2001 cash of \$18,000 (paid) and \$100,000 in exploration expenditures (incurred);
- [ii] By February 4, 2002 a cash payment of \$25,000 (paid) and a further \$100,000 in exploration expenditures (incurred);
- [iii] By August 4, 2002 a cash payment of \$25,000;
- [iv] By February 4, 2003 a cash payment of \$25,000;
- [v] By August 4, 2003 a cash payment of \$25,000; and
- [vi] By February 4, 2004 a cash payment of \$387,500.

NOTES TO THE FINANCIAL STATEMENTS

Second Quarter Report for the period ending May 31, 2001

4. MINERAL CLAIMS AND OPTIONS (continued)

On January 23, 2002 the Company entered into an option agreement with Silver Standard Resources Inc. ("Silver Standard") to sell up to a 100% interest in the Company's San Marcial Silver Property in Sinaloa, Mexico. Under the terms of the agreement, Silver Standard can exercise its option to earn a 50% interest through cash payments totaling US\$29,000 (Property payment of US\$25,000 and US\$4,000 cash payment) and exploration expenditures of at least US\$175,000 by June 30, 2002 (See Note 8. Subsequent Events). The US\$4,000 cash payment reduced the Company's acquisition costs by Cdn\$6,362)

Silver Standard may then earn up to a 100% in the Company's option by either issuing 200,000 common shares of Silver Standard with a value of at least US\$350,000 or paying to the Company US\$350,000 in cash and common shares of Silver Standard with at least US\$150,000 in cash. Either method of payment is at Silver Standard's option and written notice of its intention to exercise this option must be given by July 15, 2002 (see Note 8. Subsequent Events).

To exercise the Company's option and earn a 100% interest in the San Marcial Silver Property, pursuant to an underlying agreement, Silver Standard will make cash payments to the property vendor totaling US\$462,500 and incur US\$400,000 in further exploration expenditures by February 4, 2004. Silver Standard also agrees to pay US\$100,000 on commencement of commercial production to International American Resources Inc. and a 3% net smelter royalty to the property vendor. Each 1% of the royalty can be acquired on payment of US\$600,000.

The following exploration expenditures have been incurred on the Property to November 30, 2001:

	Accumulated to November 30, 2000 \$	Incurred during the year \$	Incurred to November 30, 2001 \$
Assaying	12,363	7,521	19,884
Drilling	–	107,137	107,137
Field equipment and supplies	11,797	5,799	17,596
Field support/labour	7,934	3,217	11,151
Geologists	120,089	72,550	192,639
Licenses, taxes and permits	11,121	3,713	14,834
Surveying and mapping	3,387	–	3,387
Travel and accommodation	15,932	10,522	26,454
Trenching	20,995	6,260	27,255
Vehicles and fuel	7,373	4,887	12,260
	210,991	221,606	432,597

Since November 30, 2001 all property payments and exploration expenditures on the Property have been recovered from Silver Standard Resources as per the terms of the option agreement. An adjustment of \$62,034 has been made in the current period for recoveries and the recoveries and option payments reported as revenue in the previous period.

[b] Allard Property, Colorado, U.S.A.

On May 30, the Company announced that, subject to regulatory approval, an agreement had been signed to purchase La Plata Minerals Limited, a private company in Colorado, which has a 100% interest in a major porphyry copper-precious metals deposit located in southwestern Colorado called the Allard. Under the proposed terms of the agreement to purchase La Plata Minerals, Gold-Ore will issue 2,500,000 common shares and assume US\$35,000 debt, which is to be repaid by Dec. 31, 2002. The agreement is still awaiting regulatory approval and as a result has not closed yet.

Unaudited

GOLD-ORE RESOURCES LTD.

NOTES TO THE FINANCIAL STATEMENTS

Second Quarter Report for the period ending May 31, 2001

5. CAPITAL STOCK

Authorized

Unlimited common shares, voting, without par value

Unlimited preferred shares, non-voting, without par value

Issued

Common shares have been issued for the following consideration:

	Number of shares	Value \$
Balance, November 30, 1999 and 2000	8,576,888	772,869
Shares issued during the year for cash:		
Private placements	1,495,000	248,100
Related finders fee	27,900	-
Issued for finders' fee of San Marcial Silver Property	30,000	4,800
Balance, November 30, 2001	10,129,788	1,025,769

[a] Private placements

- [i] The Company issued 986,000 units at \$0.20 per unit for proceeds of \$197,200 through an Agent. Each unit consists of one common share and one warrant exercisable at \$0.30 per share expiring January 19, 2003. The Agent was paid warrants to acquire 160,000 units at \$0.30 per unit. Each unit will consist of one common share and one warrant exercisable at \$0.30 per unit expiring January 19, 2003.
- [ii] The Company issued 509,000 units at \$0.10 per unit for proceeds of \$50,900. Each unit consists of one common share and one common share purchase warrant exercisable at \$0.15 per share expiring November 13, 2002.

[b] Options

The Company has reserved 1,000,000 common shares for issuance upon exercise of stock options. The exercise price is \$0.10 per share expiring February 8, 2007 as to 250,000, April 12, 2007 as to 650,000, \$0.12 per share expiring May 28, 2004 as to 50,000 and \$0.25 per share expiring May 1, 2005 as to 50,000.

[c] Warrants outstanding as at November 30, 2001:

Number	Exercise Price	Expiry Date
1,306,000	\$0.30	January 19, 2003
509,000	\$0.15	November 13, 2002

[d] Escrowed shares as at May 31, 2002:

There are no shares held in escrow. A total of 1,500,000 common shares were released from escrow on July 13, 2001. A total of 1,500,000 common shares were released on July 13, 2000.

Unaudited

6. INCOME TAXES

Non-capital losses carried-forward

The Company has non-capital losses to carry-forward for income tax purposes of \$216,000 expiring as follows:

	\$
2003	3,000
2004	40,000
2005	41,000
2006	35,000
2007	57,000
2008	40,000

The benefit of these losses will be recorded when realized.

Exploration and development expenditures

At November 30, 2001, the Company has cumulative Canadian Exploration Expenses of \$120,739 which can be deducted 100% against taxable income.

Canadian Development Expenses of \$47,732 are available at a rate of 30% each year for deduction against future years' taxable income.

Foreign Exploration and Development Expenses of \$511,962 are fully deductible against Foreign Mineral profits or 10% of taxable income in any given year.

7. FINANCIAL INSTRUMENTS

Financial instruments included in the balance sheet are comprised of cash and short-term investments, accounts receivable and accounts payable. The fair values of these balance sheet items are equivalent to their carrying value because of the short-term maturity of those instruments. The Company is not party to any derivative instruments.

The Company has no interest rate risk or concentrations of credit risk.

8. SUBSEQUENT EVENTS

Subsequent to the end of the quarter, Silver Standard Resources Inc. made the required cash payments and incurred the required exploration expenses on the San Marcial Silver Property to exercise its option to earn a 50% interest in the Property. The Company received written notice on July 15, 2002 of Silver Standard's intention to exercise its option to earn a 100% interest in the Property. As of July 30, the acquisition of the interest had not yet closed.

GOLD-ORE RESOURCES LTD.

Schedule B

SUPPLEMENTARY INFORMATION
FOR THE QUARTER ENDED MAY 31, 2002

RELATED PARTY TRANSACTIONS

- None -

SECURITIES ISSUED

- None -

OPTIONS GRANTED

Date	Number	Type	Name	Exercise Price	Expiry Date
Apr 12, 2002	220,000	Director	Alvin Jackson	\$0.10	Apr 12, 2007
Apr 12, 2002	130,000	Director	Ron Ewing	\$0.10	Apr 12, 2007
Apr 12, 2002	130,000	Director	Don Sawyer	\$0.10	Apr 12, 2007
Apr 12, 2002	115,000	Director	Glen Dickson	\$0.10	Apr 12, 2007
Apr 12, 2002	55,000	Director	David Mullen	\$0.10	Apr 12, 2007

AS AT MAY 31, 2002

AUTHORIZED AND ISSUED SHARE CAPITAL

Class	Par Value	Authorized	Issued	
		Number	Number	Amount
Common	N.P.V.	Unlimited	10,129,788	\$1,025,769

OPTIONS AND WARRANTS OUTSTANDING

Security	Number	Exercise Price	Expiry Date
Options	650,000	\$0.10	April 12, 2007
Options	50,000	\$0.12	May 28, 2004
Options	50,000	\$0.25	May 1, 2005
Options	250,000	\$0.10	Feb 1, 2007
Warrants	509,000	\$0.15	Nov 13, 2002
Warrants	986,000	\$0.30	Jan 12, 2003
Warrants*	320,000	\$0.20/\$0.30	Jan 12, 2003

* Broker Warrants to purchase 160,000 units at \$0.20 per unit consisting of one common share & one share purchase warrant exercisable at \$0.30 per share.

SHARES IN ESCROW OR SUBJECT TO POOLING

- None -

DIRECTORS

Alvin W. Jackson - President

Ron A. Ewing - Secretary/Treasurer

David F. Mullen

Donald A. Sawyer

Glen D. Dickson

GOLD-ORE RESOURCES LTD.

Schedule C

**MANAGEMENT DISCUSSION
FOR THE QUARTER ENDING MAY 31, 2002**

Operations:

Gold-Ore is a mineral exploration company engaged in the acquisition, exploration and development of mineral properties, and currently has no sources of revenue other than interest on cash. The Company has been focussing its exploration efforts on the San Marcial silver property in Sinaloa state in Mexico. Gold-Ore has the right to earn a 100% interest in the property from Minera Holmex S.A. de C.V., subject to a 3% NSR, by expending US\$ 600,000 on the property and by making cash payments totalling US\$ 505,500 over four years. The Company has now optioned up to 100% of the San Marcial property to Silver Standard Resources Inc. Under the terms of the agreement, Silver Standard can earn a 50% interest through cash payments totalling US\$29,000 and exploration expenditures of at least US\$175,000 by April 30, 2002. Silver Standard may also earn up to a 100% in Gold-Ore's option by either issuing 200,000 common shares of Silver Standard with a value of at least US\$350,000 or paying to Gold-Ore US\$350,000 in cash and common shares of Silver Standard with at least US\$150,000 in cash. Silver Standard must also make all remaining cash payments to Minera Holmex and incur all remaining exploration expenditures required under the terms of the agreement with Minera Holmex.

As of the end of the quarter Silver Standard had met the commitments to earn a 50% interest by making the cash payments and by funding a second drill program on the property. Subsequent to the end of the quarter, a third diamond drilling program on the San Marcial property was announced, totaling 1400 metres, to continue to define the extent of the higher grade mineralization outlined in the previous drill program. This drill program was also to be funded by Silver Standard. As of the report date, results of the drill program were still pending. Also, subsequent to the end of the second quarter, the Company received notice from Silver Standard that it was their intention to earn a 100% interest in the property, but as of the report date this transaction had not been completed.

At the end of the second quarter, Gold-Ore announced that, subject to regulatory approval, an agreement had been signed to purchase La Plata Minerals Limited, a private company in Colorado, which has a 100% interest in a major porphyry copper-precious metals deposit located in southwestern Colorado. The property, referred to as the *Allard*, is located approximately 20 kilometers northwest of Durango in La Plata County within the historic La Plata mining district. The property hosts an alkaline porphyry system, which the US Bureau of Mines has stated contains an "exposed inferred resource of 200 million tons grading 0.40% copper" with associated gold, silver, platinum, and palladium values. Several late stage mineralized structures and breccias occur within the deposit, and potential for higher grade precious metal contents within these is considered excellent. The Company plans to focus initially on data compilation, mapping, and re-analyses of all existing drill core. Under the proposed terms of the agreement to purchase La Plata Minerals, Gold-Ore will issue 2,500,000 common shares and assume US\$35,000 debt, which is to be repaid by Dec. 31, 2002.

As of the end of the quarter the Company had spent a total of \$272,257 on exploration expenses, primarily for the second drill program on San Marcial. A minimal amount was spent on other property investigations. All of the funds spent on the San Marcial property were recovered from Silver Standard as per the terms of their option agreement. For the six month period, \$14,451 was spent on administrative expenses, primarily for filing and transfer agent fees. There were no payments to related parties and no investor relations expenses incurred.

Liquidity and Capital Resources:

As of the quarter end the Company had a negative working capital position of \$26,563. It is expected that ongoing activities will be funded by the proceeds of the sale of the San Marcial property to Silver Standard (US\$ 350,000), to be completed subsequent to this report date. The Company will also seek additional equity financing, based on the acquisition of the Allard property to provide working capital and to fund other property acquisitions.