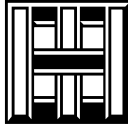

**GOLD-ORE RESOURCES LTD.
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
NOVEMBER 30, 2003 AND 2002**



MANNING ELLIOTT
CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

To the Shareholders of
Gold-Ore Resources Ltd.

We have audited the consolidated balance sheets of Gold-Ore Resources Ltd. as at November 30, 2003 and 2002 and the consolidated statements of loss and deficit, cash flows and schedule of property acquisition and deferred exploration costs for the years ended November 30, 2003 and 2002. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2003 and 2002 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles. As required by The British Columbia Company Act we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Manning Elliott

Chartered Accountants

Vancouver, British Columbia

April 1, 2004

GOLD-ORE RESOURCES LTD.
CONSOLIDATED BALANCE SHEETS
AS AT NOVEMBER 30, 2003 AND 2002

	2003	2002
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,199,664	\$ 125,324
Marketable securities	–	314,300
Accounts receivable	38,914	26,933
Prepaid expenses	–	500
	<u>1,238,578</u>	<u>467,057</u>
PROPERTY AND EQUIPMENT (Note 3)	<u>35,294</u>	<u>1,348</u>
MINERAL PROPERTY ACQUISITION COSTS (Note 4 and Schedule)	319,913	–
DEFERRED EXPLORATION COSTS (Note 4 and Schedule)	492,403	58,979
	<u>812,316</u>	<u>58,979</u>
	<u>\$ 2,086,188</u>	<u>\$ 527,384</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 115,235	\$ 74,221
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (Note 5)	2,873,528	1,025,769
STOCK-BASED COMPENSATION	107,874	–
DEFICIT	(1,010,449)	(572,606)
	<u>1,970,953</u>	<u>453,163</u>
	<u>\$ 2,086,188</u>	<u>\$ 527,384</u>

See accompanying notes

On behalf of the Board:

Bob Wasylyshyn, Director

Glen Dickson, Director

GOLD-ORE RESOURCES LTD.**CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT****FOR THE YEARS ENDED NOVEMBER 30, 2003 AND 2002**

	2003	2002
REVENUE		
Management fees	\$ –	\$ 40,960
Interest and other income	10,300	–
Gain on sale of marketable securities	73,208	–
Gain on sale of property	–	56,324
	<hr/> 83,508	<hr/> 97,284
EXPENSES		
Accounting and legal	47,689	11,248
Amortization	2,844	355
Bank charges and interest	6,459	–
Stock-based compensation expense	107,874	–
Foreign exchange	63,295	–
Grassroots exploration costs	43,587	39,466
Management fees (Note 8)	152,650	68,000
Office, rent, couriers and printing (Note 8)	65,498	8,605
Transfer agent and regulatory fees	27,262	10,262
Travel and promotion	4,193	743
	<hr/> 521,351	<hr/> 138,679
NET LOSS FOR THE YEAR	(437,843)	(41,395)
DEFICIT – BEGINNING OF YEAR	(572,606)	(531,211)
DEFICIT – END OF YEAR	<hr/> \$(1,010,449)	<hr/> \$ (572,606)
NET LOSS PER SHARE (weighted average basis)	<hr/> \$ (.03)	<hr/> \$ (.01)

(Fully diluted loss per share is not presented as the result is anti-dilutive)

See accompanying notes

GOLD-ORE RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED NOVEMBER 30, 2003 AND 2002

	2003	2002
CASH FROM (USED IN):		
OPERATING ACTIVITIES		
Net loss for the year	\$ (437,843)	\$ (41,395)
Items not involving cash		
Amortization	2,844	355
Stock-based compensation expense	107,874	
Gain on sale of property	–	(56,324)
Gain on sale of marketable securities	(73,208)	–
Net change in non-cash working capital items	81,534	(294,553)
	(318,799)	(391,917)
FINANCING ACTIVITIES		
Capital stock issued	1,661,184	–
Financing costs	(115,425)	–
	1,545,759	–
INVESTING ACTIVITIES		
Purchase of property and equipment	(36,790)	(611)
Proceeds on sale of property	–	550,025
Proceeds on sale of marketable securities	387,508	–
Purchase of mineral claims and option payments	(69,914)	–
Exploration costs	(433,424)	(40,718)
	(152,620)	508,696
INCREASE IN CASH DURING THE YEAR	1,074,340	116,779
CASH – BEGINNING OF YEAR	125,324	8,545
CASH – END OF YEAR	\$ 1,199,664	\$ 125,324
NON-CASH FINANCING ACTIVITIES		
2,500,000 shares were issued for acquisition of US mineral property	\$ 250,000	\$ –
400,000 shares were issued in settlement of debt	52,000	–
30,000 shares were issued in payment of finders fees	8,100	–
	\$ 310,100	\$ –

SUPPLEMENTAL DISCLOSURES

Cash paid for interest	–	–
Cash paid for income taxes	–	–

See accompanying notes

GOLD-ORE RESOURCES LTD.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED NOVEMBER 30, 2003 AND 2002**

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 in Central America and United States. The Company has not yet determined whether any of these properties contain ore reserves that are economically recoverable.

The recoverability of carrying amounts for mineral property acquisition costs 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 property acquisition costs and related deferred exploration costs could be written-off.

2. SIGNIFICANT ACCOUNTING POLICIES**(a) Consolidated Financial Statements**

These financial statements have been prepared on a consolidated basis and include the assets, liabilities and operations of the Company and its 100% owned U.S. subsidiary, La Plata Minerals Limited, and its 100% owned Honduran subsidiary, Recursos Santana S.A. de C.V. All material intercompany balances and transactions have been eliminated.

(b) Use of estimates

The preparation of financial statements in conformity with Canadian 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.

(c) Cash and equivalents

Cash and equivalents consist of cash in bank accounts and short-term deposits with maturity dates of less than three months.

(d) Mineral property acquisition and deferred exploration costs

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

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.

GOLD-ORE RESOURCES LTD.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED NOVEMBER 30, 2003 AND 2002**

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Property and equipment

Property and equipment is stated at cost. Amortization is provided using the following methods and annual rates:

Office equipment	Declining balance basis at 30% per annum
Vehicles	Straight-line over five years

(f) Foreign currency translation

The Company's functional currency is the Canadian dollar. The accounts of integrated foreign operations, which are initially recorded in United States dollars and Lempiras, have been translated into Canadian dollars as follows:

Monetary Items	At the exchange rate prevailing at the balance sheet date
Non-Monetary Items	At historical rates
Revenue and Expense Items	At the average exchange rate for the month

Amortization of assets translated at historical exchange rates is translated at the same exchange rates as the assets to which they relate.

All foreign exchange gains or losses are recognized in current operations.

(g) Capital Stock

The Company records proceeds from share issuances net of commissions and issue costs. Shares issued for other than cash consideration are valued at the quoted price on the TSX Venture Exchange on the date the agreement to issue the shares is reached.

(h) Stock-based Compensation

The Company has a share option plan, which is described in note 5. Compensation expense is recognized when stock options are issued with an exercise price that is less than fair market value on the date of the grant. The difference between the exercise price and the market price on the date of the grant is recorded as compensation expense ("intrinsic value method").

Direct grants of stock to employees and stock options to non-employees are accounted for in accordance with the fair value method of accounting for stock-based compensation. The fair value of the direct grants of stock are determined by the quoted market price of the Company's stock and the fair value of stock options are determined using the Black-Scholes Option Pricing Model.

(i) Foreign Currency Risk

The Company operates internationally, which gives rise to the risk that cash flows may be adversely impacted by exchange rate fluctuations. The Company has not entered into foreign currency contracts to hedge its risk against foreign currency fluctuations.

(j) Marketable securities

Marketable securities represent investments in publicly listed companies and are recorded at cost. They are carried at the lower of cost and fair market value unless the decline is temporary

GOLD-ORE RESOURCES LTD.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED NOVEMBER 30, 2003 AND 2002**

3. PROPERTY AND EQUIPMENT

			2003	2002
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Office equipment	\$ 10,434	\$ 4,307	\$ 6,127	\$ 1,348
Vehicles	30,713	1,546	29,167	–
	<u>\$ 41,147</u>	<u>\$ 5,853</u>	<u>\$ 35,294</u>	<u>\$ 1,348</u>

4. MINERAL PROPERTY ACQUISITION AND DEFERRED EXPLORATION COSTS

(a) San Marcial Silver Property-Sinaloa, Mexico

Pursuant to an Option and Joint Venture Agreement dated February 16, 2000 and amended June 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, consisted of two concessions covering 1,250 hectares.

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 San Marcial Property.

During the quarter ended August 31, 2002 Silver Standard elected to exercise its option and paid the Company US\$150,000 in cash and issued 45,706 common shares of Silver Standard with a market value of US\$200,000 (Cnd\$314,300). The common shares had a four-month hold period that expired on December 20, 2002. In addition, under certain property developments or silver market conditions within three years, Silver Standard will make additional payments to the Company for the San Marcial Property. Following definition of greater than 50 million ounces of measured and indicated silver resources using a 50-gram per tonne silver cut-off grade; Silver Standard will pay the Company an additional US\$0.005 per resource ounce of silver. If silver prices meet or exceed US\$6.50 per ounce for 60 consecutive days, Silver Standard will pay the Company US\$0.005 per measured and indicated resource ounce of silver based on a 50 gram per tonne silver cut-off grade.

As a result of the sale of the option on the San Marcial Property to Silver Standard, a total of \$79,365 in property acquisition costs and \$420,697 in net deferred exploration costs related to the property were charged against total proceeds of \$556,387 for a net gain of \$56,324.

(b) Allard Property, Colorado, U.S.A.

On May 30, 2002, the Company reached an agreement 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 Property. To complete the acquisition the Company issued 2,500,000 common shares valued at \$250,000 and paid US\$35,000 (Cnd\$54,687).

The Company is seeking partners for this project.

GOLD-ORE RESOURCES LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED NOVEMBER 30, 2003 AND 2002

4. MINERAL PROPERTY ACQUISITION AND DEFERRED EXPLORATION COSTS (continued)

(c) Central America

In the first quarter of 2003 the Company initiated an exploration campaign in Central America, primarily in Honduras. Applications for concessions covering three separate areas have been filed with the Honduran government. In October 2003, the Company signed a letter of understanding with Breakwater Resources Ltd. to explore the Montserrat (Yuscarán) mineral concession in Honduras. Under the terms of the agreement, the Company will spend up to \$US1.5 million to earn a 100% interest in the project. After the Company has completed this expenditure, Breakwater Resources Ltd. has the right to elect to complete additional exploration expenditures totalling \$US3.75 million to earn back 51% or receive 1.5 million common shares of the Company. Should Breakwater Resources Ltd. earn back 51% it has the right to increase its interest to 70% by providing the Company's share to debt financing on any mine development. The Yuscarán project is located 90 km east of the capital city of Tegucigalpa. In 1989, the United Nations reported resource of 530,000 ounces gold equivalent employing a silver:gold ratio of 60:1, which reflected then current metals prices. The Company has initiated a \$US400,000 exploration program on the project.

The Company has conducted preliminary evaluation of exploration opportunities in Nicaragua.

	Deferred exploration costs (Schedule)			Acquisition costs (Schedule)			Write-offs	Balance November 30, 2003 Total
	Balance November 30, 2002	Additions net of Recoveries	Balance November 30, 2003	Balance November 30, 2002	Additions	Balance November 30, 2003		
	\$	\$	\$	\$	\$	\$		
2003								
Exploration Projects								
Central America								
Honduras Project	-	357,482	357,482	-	15,226	15,226	-	372,708
Mexico								
San Marcial Property	-	-	-	-	-	-	-	-
United States								
Allard Property	58,979	75,942	134,921	-	304,687	304,687	-	439,608
	58,979	433,424	492,403	-	319,913	319,913	-	812,316
2002								
Exploration Projects								
Mexico								
San Marcial Property	432,597	(11,900)	420,697	-	-	-	(420,697)	-
United States								
Allard Property	-	58,979	58,979	-	-	-	-	58,979
	432,597	47,079	479,676	-	-	-	(420,697)	58,979

GOLD-ORE RESOURCES LTD.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED NOVEMBER 30, 2003 AND 2002**

5. CAPITAL STOCK

Authorized:

Unlimited common shares, voting, without par value

Unlimited preferred shares, non-voting, without par value

Issued and Outstanding:

	Number of shares	Value
Balance, November 30, 2001 and 2002	10,129,788	\$ 1,025,769
Shares issued during 2003:		
For cash		
Private placements	6,000,000	1,450,000
Less commission and issue costs	–	(123,525)
Exercise of stock options	50,000	6,000
Exercise of warrants	871,050	205,184
For debt and services		
Finders fees	30,000	8,100
Management fees	400,000	52,000
For property		
La Plata acquisition	2,500,000	250,000
Balance, November 30, 2003	19,980,838	\$ 2,873,528

(a) Private placements

- (i) The Company issued a non-brokered private placement of 1,000,000 units at \$0.10 per unit for proceeds of \$100,000. Each unit consisted of one common share and one common share purchase warrant exercisable for a one-year period at a price of \$0.15.
- (ii) The Company issued 5,000,000 units at \$0.27 per unit for proceeds of \$1,350,000. Each unit consisted of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase an additional common share at a price of \$0.27 per share for a period of 6 months and thereafter at a price of \$0.31 for an additional 12 months from the closing of the financing. The Company paid a 7% commission on the gross proceeds and issued Agent's Options to purchase 750,000 units. One Agent's option entitles the Agent to purchase one unit, consisting of one common share of the Company and one-half share purchase warrant, at a price of \$0.27 per unit. Once exercised, one share purchase warrant entitles the holder to acquire one common share at a price of \$0.27 for a period of 6 months and thereafter at a price of \$0.31 for an additional 12 months. The Agent's options will expire on January 11, 2005. The share purchase warrants have the same expiry date as the Agent's options.

STOCK OPTIONS

The Company has established a stock option plan whereby options may be granted to the Company's directors, officers, employees and consultants for up to 10% of the common shares issued and outstanding. The exercise price of each option is determined by the board of directors and an option's maximum term is five years. Any consideration paid by option holders on the exercise of stock options is credited to share capital.

The fair value for the stock options granted to consultants was estimated at the date of grant using the Black-Scholes option pricing model assuming a risk-free interest rate of 2.67%; dividend yield of 0%; a stock price volatility of 115%; and an expected life of the options of 1.8 years.

GOLD-ORE RESOURCES LTD.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED NOVEMBER 30, 2003 AND 2002**

5. CAPITAL STOCK (continued)

STOCK OPTIONS (continued)

	Number of options	Weighted average exercise price
Balance, November 30, 2001	100,000	\$0.18
Granted	900,000	0.10
Balance, November 30, 2002	1,000,000	0.11
Granted	900,000	0.33
Exercised	(50,000)	0.12
Balance, November 30, 2003	1,850,000	\$0.22

At November 30, 2003, the Company has the following options outstanding:

Range of exercise prices	Options outstanding		Weighted average exercise price	Options exercisable	
	Number of shares	Weighted average remaining contractual life		Number exercisable	Weighted average exercise price
\$0.10 to \$0.48	1,850,000	3.74 years	\$0.22	1,850,000	\$0.22

The options outstanding at November 30, 2003 will expire between May 1, 2005 and October 23, 2008.

SHARE PURCHASE WARRANTS	Number of warrants	Purchase price per share
Balance, November 30, 2001	509,000	\$0.15
Issued	1,306,000	0.30
Balance, November 30, 2002	1,815,000	\$0.15 - 0.30
Issued	3,515,625	0.27
Exercised	(839,800)	0.15 - 0.27
Expired	(1,585,000)	0.15 - 0.30
Balance, November 30, 2003*	2,905,825	\$0.27

* 980,000 share purchase warrants will expire on January 13, 2004 and 1,910,200 on January 11, 2005

GOLD-ORE RESOURCES LTD.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEARS ENDED NOVEMBER 30, 2003 AND 2002**

6. INCOME TAXES

The Company has Canadian tax losses to carry-forward to reduce future years' taxable income of \$709,000 expiring as follows:

	\$
2004	40,000
2005	41,000
2006	35,000
2007	57,000
2008	39,000
2009	57,000
2010	439,000

The benefit of these losses will be recorded when realized.

Exploration and development expenditures

At November 30, 2003, the Company has:

- (a) Canadian Exploration Expenses of \$121,000, which can be deducted 100% against future years' taxable income.
- (b) Canadian Development Expenses of \$48,000, which are available at a rate of 30% each year for deduction against future years' taxable income.
- (c) Foreign Exploration and Development Expenses of \$415,000 which 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, marketable securities, accounts receivable and accounts payable and accrued liabilities. 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. RELATED PARTY TRANSACTIONS

The following related party transactions were recorded at their exchange amounts:

The Company paid \$14,488 (2002: \$6,000) in rent to a company with common directors.

The Company also paid \$186,850 (2002: \$68,000) in management fees to three Directors as compensation for services performed.

9. SUBSEQUENT EVENTS

Subsequent to November 30, 2003, the Company filed applications for 13 contiguous concessions in Honduras covering a volcanic belt that is interpreted to have base and precious metal potential.

GOLD-ORE RESOURCES LTD.**SCHEDULE OF PROPERTY ACQUISITION AND DEFERRED EXPLORATION COSTS****FOR THE YEARS ENDED NOVEMBER 30, 2003 AND 2002**

2003	La Plata \$	Honduras \$	Total \$
Exploration Costs - Beginning of Year	58,979	—	58,979
Exploration Costs			
Assaying	3,310	43,140	46,451
Consulting	58,261	166,763	225,024
Field equipment and supplies	21	20,540	20,562
Field office	295	6,282	6,576
Field wages	-	13,029	13,029
Licenses, taxes and permits	9,084	3,684	12,768
Surveying and mapping	-	3,631	3,631
Travel and accommodation	4,970	70,286	75,256
Vehicles and fuel	-	30,127	30,127
	75,942	357,482	433,424
Exploration Costs - End of Year	134,921	357,482	492,403
Acquisition Costs - Beginning of Year	—	—	—
Acquisition During the Year	304,687	15,226	319,913
Acquisition and Exploration Costs - End of Year	439,608	372,708	812,316
2002	La Plata \$	San Marcial \$	Total \$
Exploration Costs - Beginning of Year	—	432,597	432,597
Exploration Costs			
Assaying	3,801	660	4,461
Consulting	27,709	73,745	101,454
Drilling	—	458,495	458,495
Field equipment and supplies	169	23,296	23,465
Field wages	893	30,370	31,263
Licenses, taxes and permits	15,621	3,059	18,680
Surveying and mapping	—	3,609	3,609
Travel and accommodation	10,320	18,950	29,270
Trenching	—	14,866	14,866
Vehicles and fuel	466	12,160	12,626
Cost recoveries	—	(651,110)	(651,110)
	58,979	(11,900)	47,079
Write-offs	—	(420,697)	(420,697)
Exploration Costs - End of Year	58,979	—	58,979
Acquisition Costs - Beginning of Year	—	—	—
Acquisition During Year	—	—	—
Acquisition and Exploration Costs - End of Year	58,979	—	58,979