



GOLD-ORE
RESOURCES LTD.

SECOND QUARTER REPORT

For the six months periods ended May 31, 2004 and 2003

(Canadian \$)

- Notice to Reader
- Interim Consolidated Balance Sheets
- Interim Consolidated Statements of Operations and Deficit
- Interim Consolidated Statements of Cash Flows
- Notes to the Interim Consolidated Financial Statements



GOLD-ORE
RESOURCES LTD.

Notice to Reader

The accompanying unaudited interim consolidated financial statements and all information in the Quarter Report have been prepared by and are the responsibility of the management of the Company.

The Audit Committee of the Board of Directors, consisting of three members, has reviewed the financial statements and related financial reporting matters prior to submitting the financial statements to the Board for approval.

The Company's independent auditors, Manning Elliott, Chartered Accountants, have not performed a review of these consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

"Robert Wasylyshyn"

Robert Wasylyshyn, President

"Glen Dickson"

Glen Dickson, Chairman

GOLD-ORE RESOURCES LTD.
INTERIM CONSOLIDATED BALANCE SHEETS
AS AT MAY 31, 2004

	May 31, 2004 (Unaudited)	Nov 30, 2003 (Audited)
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,401,534	\$ 1,199,664
Accounts receivable	25,677	38,914
Prepaid expenses	-	-
	1,427,211	1,238,578
PROPERTY AND EQUIPMENT (Note 2)	31,291	35,294
MINERAL PROPERTY ACQUISITION COSTS (Note 3)	333,392	319,913
DEFERRED EXPLORATION COSTS (Note 3)	702,858	492,403
	1,036,250	812,316
	\$ 2,494,752	\$ 2,086,188
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 76,287	\$ 115,235
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (Note 4)	3,432,002	2,873,528
STOCK-BASED COMPENSATION	107,874	107,874
DEFICIT	(1,121,411)	(1,010,449)
	2,418,465	1,970,953
	\$ 2,494,752	\$ 2,086,188

See accompanying notes

On behalf of the Board:

"Bob Wasylyshyn"
 Bob Wasylyshyn, Director

"Glen Dickson"
 Glen Dickson, Director

GOLD-ORE RESOURCES LTD.**INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT (Unaudited)****FOR THE SIX MONTHS ENDED MAY 31, 2004 AND MAY 31, 2003**

	Three Months ended		Six Months ended	
	May 31		May 31	
	2004	2003	2004	2003
	\$	\$	\$	\$
INCOME				
Interest and Other Income	7,358	-	13,476	-
EXPLORATION EXPENSES				
Assaying	6,508	-	8,993	1,679
Consulting	2,338	-	11,182	13,698
Field Equipment and Supplies	9	-	10	-
Field Labour	6,251	-	6,251	-
Field Office	7,729	-	8,351	153
Surveying and Mapping	46	-	46	-
Travel and Accommodation	1,169	-	4,460	2,462
Vehicles and Fuel	539	-	978	-
	<u>24,589</u>	-	<u>40,271</u>	17,992
ADMINISTRATION EXPENSES				
Accounting & Legal	8,610	9,283	14,452	16,893
Amortization	2,002	94	4,003	195
Bank Charges & Commissions	200	209	429	5,408
Filing and Transfer Agent Fees	8,193	4,571	8,939	11,418
Management Fees	18,589	22,500	35,914	45,000
Office, Rent, and Printing	12,662	21,7578	23,485	35,170
Travel and Promotion	82	2,718	556	3,883
	<u>50,338</u>	61,133	<u>87,778</u>	117,967
LOSS BEFORE OTHER ITEMS	67,569	61,133	114,573	135,959
Foreign Exchange Loss (Gain)	(608)	20,184	(3,611)	30,175
Gain on sale of marketable securities	-	-	-	(67,281)
NET LOSS FOR THE PERIOD	66,961	81,317	110,962	98,853
DEFICIT – BEGINNING OF PERIOD	<u>1,054,450</u>	590,142	<u>1,010,449</u>	572,606
DEFICIT – END OF PERIOD	<u>1,121,411</u>	671,459	<u>1,121,411</u>	671,459
Loss per Share	0.01	0.01	0.01	0.01

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

See accompanying notes

GOLD-ORE RESOURCES LTD.**INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)****FOR THE SIX MONTHS ENDED MAY 31, 2004 AND MAY 31, 2003**

	Three Months ended May 31		Six Months ended May 31	
	2004	2003	2004	2003
CASH FROM (USED IN):	\$	\$	\$	\$
OPERATING ACTIVITIES				
Net loss for the year	(66,961)	(81,137)	(110,962)	(98,853)
Items not involving cash				
Amortization	2,002	94	4,003	195
	(64,959)	(81,223)	(106,959)	(98,658)
Change in non-cash working capital items				
Accounts Receivable and refundable taxes	8,750	(5,012)	13,236	(5,012)
Prepaid expenses and deposits	876	500	–	500
Accounts Payable and Accrued Liabilities	13,513	(13,643)	(38,947)	(41,868)
	(41,820)	(99,378)	(132,670)	(145,038)
FINANCING ACTIVITIES				
Capital stock issued	4,844	6,000	558,474	408,000
Financing costs	–	–	–	–
	4,844	6,000	558,474	408,000
INVESTING ACTIVITIES				
Proceeds on sale of marketable securities	–	–	–	279,900
Purchase of mineral claims and option payments	(8,479)	(4,815)	(13,479)	(312,854)
Exploration costs	(118,059)	(94,996)	(210,455)	(157,082)
	(126,538)	(99,811)	(223,934)	(190,036)
INCREASE (DECREASE) IN CASH DURING THE PERIOD	(163,514)	(193,189)	201,870	72,926
CASH – BEGINNING OF PERIOD	1,565,048	391,439	1,199,664	125,324
CASH – END OF PERIOD	1,401,534	198,250	1,401,534	198,250
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
	–	–	–	302,000

See accompanying notes

GOLD-ORE RESOURCES LTD.**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)****FOR THE SIX MONTHS ENDED MAY 31, 2004 AND MAY 31, 2003**

1. BASIS OF PRESENTATION

These unaudited Interim Consolidated Financial Statements have been prepared pursuant to the accounting standards established by the Canadian Institute of Chartered Accountants (CICA) for "Interim Financial Statements".

The disclosures in these Interim Consolidated Financial Statements do not conform in all respects to the requirements of Canadian generally accepted accounting principles for annual financial statements and they should be read in conjunction with the most recent annual financial statements and notes included in the Company's annual report for the year ended November 30, 2003.

Except as otherwise disclosed in these notes, the Interim Consolidated Financial Statements follow the same accounting policies and methods as the most recent annual financial statements, and include all adjustments necessary to present fairly the results for the interim periods. The results of operations for the six months period ended May 31, 2004 are not necessarily indicative of results to be expected for the entire year ending November 30, 2004.

2. NATURE OF OPERATIONS

Gold-Ore Resources Ltd. ("the Company" or "Gold-Ore") 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.

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.

3. CHANGES IN ACCOUNTING POLICIES**(a) Stock-based compensation**

Effective January 1, 2004, the Company adopted the new provisions of the Canadian Institute of Chartered Accountants (CICA) Handbook Section 3870 on "Stock-Based Compensation and Other Stock-Based Payments", which now requires companies to adopt the fair value based method for all stock-based awards granted on or after January 1, 2004. As a result, the Company is required to expense stock options issued to employees, directors and non-employees. Previously, the Company was only required to disclose the pro forma effect of stock options issued to employees and directors in the notes to the financial statements. No adjustments resulted from this change.

(b) Canadian Generally Accepted Accounting Principles (GAAP) – Definition

A new standard on GAAP defines what constitutes Canadian GAAP and establishes a relative hierarchy for sources of GAAP. The CICA handbook is confirmed as the primary source of Canadian GAAP while secondary sources include International Accounting Standards and US GAAP. Industry practice is no longer considered a valid source of GAAP. No adjustments resulted from this change.

GOLD-ORE RESOURCES LTD.**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)****FOR THE SIX MONTHS ENDED MAY 31, 2004 AND MAY 31, 2003**

4. PROPERTY AND EQUIPMENT

			May 31, 2004		Nov. 30, 2003	
	Cost	Accumulated Amortization	Net Book Value		Net Book Value	
Office equipment	\$ 10,434	\$ 5,219	\$ 5,215	\$	6,127	
Vehicles	30,713	4,637	26,076		29,167	
	<u>\$ 41,147</u>	<u>\$ 9,856</u>	<u>\$ 31,291</u>	<u>\$</u>	<u>35,294</u>	

5. MINERAL PROPERTY ACQUISITION AND DEFERRED EXPLORATION COSTS

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

In 2002, the Company purchased 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. The Company has spent to date \$135,064 in exploration activities in the property. No work was performed during the present period.

The Company is seeking partners for this project.

(b) Central America

In the second quarter of 2004 the Company signed an agreement with Aur Resources Inc. ("Aur") to conduct exploration in NW Honduras on a new volcanogenic massive sulphide belt. The Company has made application for 13 concessions (130 square km) covering the area of interest. Aur must spend US\$300,000 over the initial two-year period to earn a 60% interest in the property. Thereafter a 60-40 joint venture will be formed to conduct additional exploration. At the completion of a feasibility study, Aur has the right to acquire an additional 10% interest by arranging the debt financing to develop a mine.

The Company also continued with the exploration program in Honduras and has conducted preliminary evaluation of exploration opportunities in Nicaragua.

The Company started a drill campaign at Yuscaran during the Second Quarter 2004. The drill program is designed to test areas between existing holes (47 drill holes were completed by the United Nations and Breakwater Resources) to confirm the continuity of silver and gold values of the system. The drill program is designed to infill areas in the Guayabillas Zone where previous drill intersections are widely spaced. In addition, potential extensions of the Guayabillas Zone and other zones will be tested. The goal of the program is to have sufficient data that an initial resource can be stated in accordance to National Instrument 43-101 standards.

The Company has maintained an active role in community affairs in Yuscaran in order to obtain the requisite social license to proceed. Subsequent to the Second Quarter, an open house presentation (Cabildo Abierto) was held to present all aspects of the project and to receive comments. After the presentation the community voted overwhelmingly to support the Company's activities and encouraged further work.

The Company has a number of other active projects in Central America that are being advanced simultaneously. An initial geochemistry and mapping program has just been completed at the Tatescane gold project in Nicaragua. Aur Resources has completed some preliminary geochemistry with favorable results in our Joint Venture in NW Honduras. The Agua Fria gold project has now been advanced to the drill-ready stage. Further results on these projects will be released shortly.

GOLD-ORE RESOURCES LTD.**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)****FOR THE SIX MONTHS ENDED MAY 31, 2004 AND MAY 31, 2003**

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

Period ended May 31, 2004	La Plata	Honduras	Total
Exploration Costs - Beginning of Period	\$ 134,921	\$ 357,482	\$ 492,403
Exploration Costs			
Assaying	–	20,385	20,385
Consulting	–	108,228	108,228
Drilling	–	35,008	35,008
Field equipment and supplies	–	1,746	1,746
Field office	–	10,176	10,176
Field wages	–	6,662	6,662
Licenses, taxes and permits	143	461	604
Surveying and mapping	–	3,215	3,215
Travel and accommodation	–	18,860	18,860
Vehicles and fuel	–	5,571	5,571
	143	210,312	210,455
Exploration Costs - End of Period	135,064	567,794	702,858
Acquisition Costs - Beginning of Period	304,687	15,226	319,913
Acquisition During the Period	–	13,479	13,479
Acquisition and Exploration Costs - End of Period	\$ 439,751	\$ 596,499	\$ 1,036,250
Period ended May 31, 2003	La Plata	Honduras	Total
Exploration Costs - Beginning of Period	\$ 58,979	\$ –	\$ 58,979
Exploration Costs			
Assaying	–	11,360	11,360
Consulting	2,164	73,558	75,722
Field equipment and supplies	–	5,218	5,218
Field office	21	13,130	13,151
Field wages	–	6,872	6,872
Licenses, taxes and permits	284	2,980	3,264
Travel and accommodation	–	25,920	25,920
Vehicles and fuel	–	15,575	15,575
	2,469	154,613	157,082
Exploration Costs - End of Period	61,448	154,613	216,061
Acquisition Costs - Beginning of Period	–	–	–
Acquisition During the Period	304,687	8,167	312,854
Acquisition and Exploration Costs - End of Period	\$ 366,135	\$ 162,780	\$ 528,915

GOLD-ORE RESOURCES LTD.**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)****FOR THE SIX MONTHS ENDED MAY 31, 2004 AND MAY 31, 2003**

6. 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
<i>Balance, November 30, 2001 and 2002</i>	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
<i>Balance, November 30, 2003</i>	19,980,838	\$ 2,873,528
Shares issued during 2004:		
For cash		
Exercise of warrants	1,981,937	419,188
Exercise of agent options	515,875	139,286
<i>Balance, May 31, 2004</i>	22,478,650	\$ 3,432,002

STOCK OPTIONS, WARRANTS AND AGENT OPTIONS

No options were granted during the period and no shares were held in escrow or subject to pooling. At May 31, 2004, the Company had the following options, warrants and agent options outstanding:

Security	Number	Exercise Price	Expiry Date
Options	50,000	\$0.25	May 01, 2005
Options	125,000	\$0.48	Oct 23, 2006
Options	250,000	\$0.10	Feb 08, 2007
Options	650,000	\$0.10	April 12, 2007
Options	400,000	\$0.10	Jan 16, 2008
Options	375,000	\$0.48	Oct 23, 2008
Warrants	1,181,700	\$0.31	Jan 11, 2005
Warrants	191,251	\$0.31	Jan 11, 2005
Agent Options*	234,125	\$0.31	Jan 11, 2005

* Agent Options to purchase 234,125 units at \$0.31 per unit consisting of one common share & one-half share purchase warrant. One share purchase warrant entitles the holder to acquire one common share at a price of \$0.31 until they expire on January 11, 2005.

GOLD-ORE RESOURCES LTD.**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)****FOR THE SIX MONTHS ENDED MAY 31, 2004 AND MAY 31, 2003**

7. RELATED PARTY TRANSACTIONS

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

The Company paid \$17,665 (May 31, 2003: \$26,389) in rent and office expenses to a company with common directors.

The Company also paid \$90,000 (May 31, 2003: \$45,000) in management fees to two Directors as compensation for services performed.

8. SEGMENTED INFORMATION

In the opinion of management, the Company operates in one industry segment, the exploration and development of mineral properties. Management of the Company makes decisions about allocating resources based on the one operating segment. A geographic summary of mineral properties and property, plant and equipment by country is as follows:

	Honduras		United States		Canada		Total	
	May 31, 2004	Nov. 30, 2003	May 31, 2004	Nov. 30, 2003	May 31, 2004	Nov. 30, 2003	May 31, 2004	Nov. 30, 2003
	\$	\$	\$	\$	\$	\$	\$	\$
Mineral Properties	596,499	372,708	439,751	439,608	-	-	1,036,250	812,316
Property, Plant and Equipment	26,222	29,331	-	-	5,069	5,963	31,291	35,294
	<u>622,721</u>	<u>402,039</u>	<u>439,751</u>	<u>439,608</u>	<u>5,069</u>	<u>5,963</u>	<u>1,067,541</u>	<u>847,610</u>