

MANSON CREEK RESOURCES LTD.

INTERIM FINANCIAL STATEMENTS

**1st Quarter Reports
December 31, 2003**

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MANSON CREEK RESOURCES LTD.
BALANCE SHEETS
(Unaudited - prepared by management)

	December 31 2003	September 30 2003
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 299,473	\$ 311,056
Accounts receivable	4,390	8,408
Due from related parties	6,601	30,454
Prepays	9,435	11,434
	<u>319,899</u>	<u>361,352</u>
INVESTMENTS AND OTHER ASSETS Note 2	28,653	28,653
MINERAL PROPERTIES AND EQUIPMENT Schedule	968,805	958,989
	\$ <u>1,317,357</u>	\$ <u>1,348,994</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 28,578	\$ 35,291
Due to related parties	8,909	9,855
	<u>37,487</u>	<u>45,146</u>
SHAREHOLDERS' EQUITY		
CAPITAL STOCK note 3	7,019,199	7,019,199
CONTRIBUTED SURPLUS	91,334	91,334
DEFICIT	(5,830,663)	(5,806,685)
	<u>1,279,870</u>	<u>1,303,848</u>
	\$ <u>1,317,357</u>	\$ <u>1,348,994</u>

Approved on behalf of the Board

"G.A.J.Devonshire" Director

"J.P.Jutras" Director

See accompanying notes to the financial statements

MANSON CREEK RESOURCES LTD.
STATEMENTS OF OPERATIONS AND DEFICIT
(Unaudited - prepared by management)

For the three months ended December 31	2003	2002
REVENUE		
Interest	\$ <u>1,634</u>	\$ <u>736</u>
EXPENSES		
General and administrative	20,942	22,881
Professional fees	5,316	4,994
Stock exchange and transfer agent fees	1,496	1,568
Depreciation	358	467
	<u>28,112</u>	<u>29,910</u>
LOSS BEFORE THE FOLLOWING	(26,478)	(29,174)
Proceeds on mineral property in excess of cost	<u>2,500</u>	<u>-</u>
NET LOSS	(23,978)	(29,174)
DEFICIT, beginning of period	<u>(5,806,685)</u>	<u>(5,365,992)</u>
DEFICIT, end of period	\$ <u><u>(5,830,663)</u></u>	\$ <u><u>(5,395,166)</u></u>
LOSS PER SHARE		
basic and diluted	\$ <u>0.00</u>	\$ <u>0.00</u>
WEIGHTED AVERAGE NUMBER OF SHARES		
basic and diluted	<u>15,370,402</u>	<u>15,483,445</u>

See accompanying notes to the financial statements.

MANSON CREEK RESOURCES LTD.
STATEMENTS OF CASH FLOWS

(Unaudited - prepared by management)

For the three months ended December 31

2003

2002

Increase (decrease) in cash and cash equivalents:

Operating activities

Interest received	\$	1,634	\$	736
Cash operating expenses		(5,543)		(27,224)
		<u>(3,909)</u>		<u>(26,488)</u>

Investing activities

Mineral property additions		(10,174)		(7,614)
Proceeds on sale of mineral property		2,500		-
		<u>(7,674)</u>		<u>(7,614)</u>

Decrease in cash and cash equivalents

(11,583)

(34,102)

Cash and cash equivalents:

Beginning of period		<u>311,056</u>		<u>328,136</u>
End of period	\$	<u>299,473</u>	\$	<u>294,034</u>

Supplementary Information:

No cash was expended on interest or taxes during the respective periods ended December 31, 2003 and December 31, 2002.

See accompanying notes to the financial statements.

MANSON CREEK RESOURCES LTD
INTERIM SCHEDULE OF MINERAL PROPERTIES AND EQUIPMEN
FOR THE THREE MONTHS ENDED DECEMBER 31, 2003 AND DECEMBER 31, 2002

2003	Yukon			
	Total	NAD	Tanner	JRS
Exploration and development expenditures:				
Balance September 30, 2003	\$ 913,475	\$ 510,144	\$ 200,680	\$ 202,651
Geological consulting	175	-	175	-
Balance December 31, 2003	913,650	510,144	200,855	202,651
Property acquisition costs:				
Balance September 30, 2003	39,075	23,000	15,190	885
Costs incurred	10,000	-	10,000	-
Balance December 31, 2003	49,075	23,000	25,190	885
Total mineral properties December 31, 2003	\$ 962,725	\$ 533,144	\$ 226,045	\$ 203,536
Equipment	12,209			
Accumulated depreciation	(6,129)			
Total mineral properties and equipment December 31, 2003	\$ 968,805			

2002	Yukon					Unstaked Property and Other
	Total	NAD	Rusty/ KLA	Tanner	JRS	
Exploration and development expenditures:						
Balance September 30, 2002	\$ 1,205,419	\$ 509,119	\$ 274,721	\$ 204,191	\$ 215,352	\$ 2,036
Geological consulting	6,545	2,206	(63)	3,992	410	-
Project field costs and miscellaneous	6,299	629	-	3,151	2,486	33
Government grants and credits	(43,446)	(1,746)	(11,300)	(15,600)	(14,800)	-
Balance December 31, 2002	1,174,817	510,208	263,358	195,734	203,448	2,069
Property acquisition costs:						
Balance September 30, 2002	81,873	22,991	40,982	15,190	885	1,825
Costs incurred	1,174	9	1,165	-	-	-
Balance December 31, 2002	83,047	23,000	42,147	15,190	885	1,825
Total mineral properties December 31, 2002	\$ 1,257,864	\$ 533,208	\$ 305,505	\$ 210,924	\$ 204,333	\$ 3,894
Equipment	12,209					
Accumulated depreciation	(4,369)					
Total mineral properties and equipment December 31, 2002	\$ 1,265,704					

MANSON CREEK RESOURCES LTD.
NOTES TO THE INTERIM FINANCIAL STATEMENTS
December 31, 2003
(Unaudited – prepared by management)

1. Accounting Policies

Basis of presentation

These interim financial statements should be read in conjunction with the audited financial statements for the year ended September 30, 2003 as not all disclosures required by Generally Accepted Accounting Principles for annual financial statements are presented. The interim financial statements follow the same accounting policies and methods of computation as the audited financial statements for the year ended September 30, 2003.

2. Investments and other assets

	December 31, 2003	September 30, 2003
Investments(fair value\$43,000, September 30, 2003 - \$20,000)	\$22,412	\$22,412
Non-current prepaid expenses	6,241	6,241
	\$28,653	\$28,653

3. Capital Stock

a) Issued

Issued: 15,370,402 common shares, (September 30, 2003 – 15,370,402)

b) Stock options and warrants

No warrants were outstanding at December 31, 2003. The Company has an option plan, (the Plan), in which up to 10% of the issued and outstanding common shares are reserved for issuance. Under the Plan, the options that have been granted expire at the earlier of five years from the grant date, the date at which the Directors determine, or 60 days from the date from which the optionee ceases to be a director, officer, employee or consultant. The exercise price of the options granted under the Plan will not be less than the market price of the common shares, defined as the weighted average of the trading price per share for the last five trading days before the grant date. No options were granted, exercised or cancelled during the three months ended December 31, 2003. The following summarizes outstanding options, including expiries, at December 31, 2003, all of which vested immediately upon granting:

Number of options	Price	Expiry date
1,000,000	\$0.10	July 19, 2006
455,000	\$0.11	May 29, 2007
1,455,000		

4. Commitments

The company has base rent office lease commitments in the following amounts for the fiscal years ended September 30:

2004	\$48,600
2005	\$48,600
2006	\$48,600
2007	\$12,200

The Company subleases office space to three companies, related by virtue of certain common officers and directors, that in aggregate contribute 75% of the aforementioned lease amounts as well as 75% of lease operating costs.